

DRAFT LETTER OF OFFER*“This Document is important and requires your immediate attention”*

This Draft Letter of Offer (DLOO) is sent to you as public shareholder(s) of MANGALAM INDUSTRIAL FINANCE LIMITED. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Draft Letter of Offer to the Member of the Stock Exchange through whom the said sale was effected.

VOLUNTARY OPEN OFFER BY

Acquirers	Residential Address	Contact Details	Email Address
Yatin Gupte (“Acquirer 1”)	12/a, Suramya Bungalows, Raipura Road, Bhayali Gaon, Behind Lalguru Farm, Bhayli Vadodara – 391 410 Gujarat, India	+91 95860 55500	yatin@wardwizard.in
Sojan V Avirachan (“Acquirer 2”)	Vettukallel, Thommankuthu P.O, Thommankuthu, Nadakkal, Vannapuram, Idukki, 685 607 Kerala, India	+91 7907 351671	sojanmba2007@gmail.com
R.Venkataramana (“Acquirer 3”)	13/1, 2nd Cross Sreekar Mansion, Raghuram Reddy Layout, Near BBMP Office, Bangalore North, Bangalore - 560 037, Karnataka, India	+91 70193 33148	rvramana171@gmail.com
Garuda Mart India Private Limited (“Acquirer 4”)	2,103/5, Ground Floor 3rd Main Road Doddanekkundi Bangalore 560 037, Karnataka, India	+91 7019333148	rvramana171@gmail.com
Wardwizard Solutions India Private Limited (“Acquirer 5”)	Shed No.C- 222, GIDC, Makarpura Industrial Estate, Vadodara 390 010, Gujarat, India	+91 9727755083	yatin@wardwizard.in

TO THE EXISTING SHAREHOLDERS OF MANGALAM INDUSTRIAL FINANCE LIMITED**Corporate Identification Number (CIN):** L65993WB1983PLC035815**Registered Office:** Subol Dutt Building, 13, Brabourne Road, Mezzanine Floor Kolkata, West Bengal - 700001, India;**Corporate office:** Hall No-1, M R Icon, Next To Milestone Vasna Bhayli Road, Vadodara 391410, Gujarat, India;**Contact Details:** +033 - 22315680/5682/5686 / 5687, +91 7203948909; **Fax Number:** 033-22315683;**Website:** www.miflindia.com;**Email Address:** mangalamindustrialfinanceitd@gmail.com; mifl_1983@yahoo.co.in;

Voluntary Open Offer for acquisition of up to 21,15,61,570 (Twenty-One Crores Fifteen Lakhs Sixty-One Thousand Five Hundred and Seventy) Equity Shares (*term defined below*), representing 22.00% of the fully paid-up Equity Share capital and voting share capital of Mangalam Industrial Finance Limited (“MIFL” or “Target Company”), at an offer price of Re.0.50/- (Fifty Paise Only) per Equity Share (“Offer Price”) payable in cash (“Offer” or “Open Offer”).

Please Note:

- This Offer is being made by the Acquirers in accordance with the provisions of Regulation 6 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto (“SEBI (SAST) Regulations”) for the substantial acquisition of Equity Shares and voting rights of the Target Company;
- As on the date of this Draft Letter of Offer, no statutory approvals are required to acquire the Equity Shares that are validly tendered pursuant to this Open Offer. If any statutory approval becomes applicable prior to the completion of the Open Offer, this Open Offer would also be subject to such other statutory approval(s). For more details regarding the statutory and other approvals for this Open Offer, please see Paragraph 6.8.1 (Statutory approvals and conditions of the Offer) at page 20 of this Draft Letter of Offer;
- If there is any upward revision in the Offer Price/Size at any time up to one (1) working day prior to commencement of the Tendering Period viz. Tuesday, September 28, 2021 in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement had appeared. If this Open Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, the same would be communicated within Two (2) Working Days by an announcement in the same newspapers in which the Detailed Public Statement had appeared.
- This is not a competitive offer as per Regulation 20 of the SEBI (SAST) Regulations;**
- If there is a competitive bid, the Open Offer under all subsisting bids shall open and close on the same date;**
- Public Shareholders, who have accepted the Open Offer by tendering the requisite documents in terms of the Letter of Offer shall not be entitled to withdraw such acceptance during the Tendering Period;
- The Open Offer is not subject to a minimum level of acceptance by the Public Shareholders of the Target Company and is not a conditional offer in accordance with the provisions of Regulation 19 of the SEBI (SAST) Regulations;
- The procedure for acceptance is set out in Paragraph 7 of this Draft Letter of Offer;
- The Public Announcement, the Detailed Public Statement and this Draft Letter of Offer would also be available on website of SEBI at (www.sebi.gov.in).

**MANAGER TO THE OFFER**
CAPITALSQUARE ADVISORS PRIVATE LIMITED208, 2nd Floor, AARPEE Center, MIDC Road No 11,
CTS 70, Andheri (E), Mumbai 400 093, Maharashtra, India.**Phone No:** +91-22-66849999/ +91 98742 83532**Email:** tanmoy.banerjee@capitalsquare.in/mb@capitalsquare.in**Website:** www.capitalsquare.in**Contact Person:** Mr. Tanmoy Banerjee**SEBI Reg. NO:** INM000012219**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED**9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Opp. Kasturba Hospital Lane,

Lower Parel (E) Mumbai – 400011, Maharashtra, India

Phone No: 022 2301 2518 / 8261,**Email/ Investor Grievance:** support@purvashare.com**Website:** www.purvashare.com**Contact Person:** Ms. Deepali Dhuri**SEBI Registration No:** INR000001112**OFFER OPENS ON: WEDNESDAY, SEPTEMBER 29, 2021****OFFER CLOSES ON: TUESDAY, OCTOBER 12, 2021**

TENTATIVE SCHEDULE OF THE MAJOR ACTIVITIES RELATING TO THIS VOLUNTARY OPEN OFFER

Activities	Date	Day
Date of the Public Announcement	August 04, 2021	Wednesday
Last date of publication of Detailed Public Statement in newspapers	August 11, 2021	Wednesday
Last date of filing of the Draft Letter of Offer with the SEBI	August 20, 2021	Friday
Last date for public announcement for competing offer(s)	September 03, 2021	Friday
Last date for receipt of SEBI observations on the draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager)	September 13, 2021	Monday
Identified Date#	September 15, 2021	Wednesday
Date by which the Letter of Offer will be dispatched to the shareholders	September 22, 2021	Wednesday
Last date for revising the Offer Price / Offer Size	September 28, 2021	Tuesday
Last date by which Board of the Target shall give its recommendation	September 27, 2021	Monday
Offer Opening Public Announcement	September 28, 2021	Tuesday
Date of commencement of tendering period (Open Date)	September 29, 2021	Wednesday
Date of closing of tendering period (Close Date)	October 12, 2021	Tuesday
Date by which all requirement including payment of consideration would be completed	October 28, 2021	Thursday

**The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to the receipt of statutory or regulatory approvals and may have to be revised accordingly. To clarify, the actions set out above may be completed prior to their corresponding dates subject to compliance with the SEBI (SAST) Regulations;*

#There has been no competing offer as of the date of this Draft Letter of Offer;

**Identified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer;*

A. RISK FACTORS RELATING TO THE TRANSACTION, THE PROPOSED OPEN OFFER AND PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRERS

For Capitalized terms used hereinafter, please refer to the Definitions set out below:

1. This Open Offer is a Voluntary Open Offer to acquire to up to 21,15,61,570 (Twenty-One Crores Fifteen Lakhs Sixty-One Thousand Five Hundred and Seventy) Equity Shares, representing 22.00% of the fully paid-up Equity Share capital and voting share capital of the Target Company from the Public Shareholders of the Target Company. In the case of oversubscription in the Open Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in the Open Offer will be accepted;
2. To the best of knowledge and belief of the Acquirers, as of the date of this Draft Letter of Offer, there are no other statutory approvals required for this Open Offer save and except as set out in paragraph 6.8.1 (Statutory approvals and conditions of the Offer) at page 20 of this Draft Letter of Offer. However, if any other statutory approvals are required prior to completion of this Open Offer, this Open Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date;
3. In the event that either (a) regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on this Open Offer, or (c) SEBI instructs the Acquirers not to proceed with this Open Offer, then this Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders of the Target Company whose Equity Shares have been accepted in this Open Offer as well as the return of Equity Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18 (11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of this Open Offer subject to the Acquirers paying interest to the Public Shareholders for the delay, as may be specified by SEBI;

4. Public Shareholders should note that those who have tendered their Equity Shares in acceptance of this Open Offer shall not be entitled to withdraw such acceptance during the Tendering Period even if the acceptance of such Equity Shares under this Open Offer and dispatch of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed;
5. This Open Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers under the Open Offer. The Acquirers may not be able to proceed with this Open Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

B. Risks involved in associating with the Acquirers

1. The Acquirers intend to acquire up to 21,15,61,570 (Twenty-One Crores Fifteen Lakhs Sixty-One Thousand Five Hundred and Seventy) Equity Shares representing 22.00% of the fully paid-up Equity Share capital and voting share capital of the Target Company, at a price of Re.0.50/- (Fifty Paise Only) per Equity Share, payable in cash under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer. The Equity Shares and documents tendered in this Open Offer will be held in trust by the Registrar to the Offer until the completion of the Open Offer formalities, and the Public Shareholders will not be able to trade such Equity Shares. Post this Open Offer, the Acquirers will have significant equity ownership and influential management control over the Target Company pursuant to Regulation 6 of the SEBI (SAST) Regulations;
2. The Acquirers make no assurance with respect to the market price of the Equity Shares during the Open Offer period and upon the completion of the Open Offer and disclaim any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in this Open Offer. The Acquirers make no assurance with respect to the financial performance of the Target Company;
3. The Acquirers and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk;

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

CURRENCY OF PRESENTATION

- In this Draft Letter of Offer, all references to “**Rs. / Rupees/ Re/ Rupee**” are references to the official currency of India;
- In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping;

DEFINITIONS/ABBREVIATIONS

Acquirer 1	Yatin Gupte
Acquirer 2	Sojan V Avirachan
Acquirer 3	R.Venkataramana
Acquirer 4	Garuda Mart India Private Limited
Acquirer 5	Wardwizard Solutions India Private Limited
Board	The Board of Directors of the Target Company
Book Value per Equity Share	Net Worth/Number of Equity Share
BSE	BSE Limited;
Business Day	Business day means any day other than a Saturday, Sunday, or any day on which banks in India or SEBI is permitted to be closed
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and Companies Act, 2013
DLoO/ DLOF/ Draft Letter of Offer	Draft Letter of Offer dated Wednesday, August 11, 2021, submitted to SEBI for its observations
DP	Depository Participant
DPS	Detailed Public Statement dated Saturday, August 07, 2021 and published in the newspapers on Monday, August 09, 2021
DIN	Director Identification Number
Tendering Period	Wednesday, September 29, 2021 to Tuesday, October 12, 2021
ECS	Electronic Clearing Service
EPS	Earnings Per Equity Share;
Escrow Agreement	Escrow Agreement dated entered into between the Acquirers, the Escrow Banker and the Manager to the Offer.
Escrow Account	The Escrow account in the name and style of “ MIFL OPEN OFFER ESCROW ACCOUNT” opened by the acquirers with the Escrow Banker, in accordance with the Escrow Agreement;
Escrow Banker	ICICI Bank Limited
Equity Shares	The Fully paid-up equity shares of the Target Company of the Face Value Re.1.00 (Rupee One) each;
Equity and voting share capital	Rs. 96,16,43,500 (Rupees Ninety Six Crore Sixteen Lakhs Forty Three Thousand Five Hundred Only) comprising of 96,16,43,500 equity shares of Re. 1/- each
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent.
IFSC	Indian Financial System Code
LoO/LOF/LoF	Letter of Offer
Manager to the Offer	CapitalSquare Advisors Private Limited
Maximum Open Offer Consideration	The Total Funding requirement for this Voluntary Open offer, assuming Full Acceptance of this Voluntary open offer, i.e. Rs.10,57,80,785.00/- (Rupees Ten Crores Fifty-Seven Lakhs Eighty Thousand Seven Hundred and Eighty-Five Only)
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	From September 29, 2021 (i.e. date of entering into Memorandum of Understanding between Acquirers and Manager to the Offer) to October 28, 2021 (i.e. date of Payment Consideration)
Offer Price	Re.0.50/- (Rupees Fifty Paise Only) per equity share payable in cash
Offer/Voluntary Open Offer/	Cash Offer being made by the Acquirers to acquire 21,15,61,570 equity shares of Re.1/- each, representing 22.00% of the total equity and voting share capital at a price of Re. 0.50/- (Rupee Fifty Paise Only) per equity share
Offer Equity Shares	21,15,61,570 equity shares
Offer Size	Rs.10,57,80,785.00/- (Rupees Ten Crores Fifty-Seven Lakhs Eighty Thousand Seven Hundred and Eighty-Five Only)
PA	Public Announcement dated August 04, 2021
PAT	Profit After Tax
Persons eligible to participate	All owners (registered and unregistered) of shares of the Target Company except the

in the Offer	Acquirers.
RBI	Reserve Bank of India
Registrar to the Offer	Purva Sharegistry (India) Private Limited
Return on Net Worth	Profit After Tax/Net Worth
SEBI	Securities & Exchange Board of India
SEBI (SAST) Regulations/ Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
Sellers or Present Promoters	Promoters of Mangalam Industrial Finance Limited as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015.
Target Company / MIFL	Mangalam Industrial Finance Limited

1. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OPEN OFFER CAPITALSQUARE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED WEDNESDAY, AUGUST 11, 2021, TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.”

2. DETAILS OF THE OFFER

2.1 Background of the Offer

- 2.1.1 This Voluntary Open Offer is being made by Yatin Gupte (“**Acquirer 1**”), Sojan V Avirachan (“**Acquirer 2**”), R.Venkataramana (“**Acquirer 3**”) Garuda Mart India Private Limited (“**Acquirer 4**”) and Wardwizard Solutions India Private Limited (“**Acquirer 5**”) (“**Acquirers**”) in compliance with regulation 6 of the SEBI (SAST) Regulations, to the shareholders of the Mangalam Industrial Finance Limited (“**Target Company**”) a company that was incorporated and duly registered under the Companies Act, 1956 and has its registered office located at Subol Dutt Building, 13, Brabourne Road, Mezzanine Floor, Kolkata – 700001, West Bengal, India.
- 2.1.2 The prime object of the Offer is to consolidate the stake of promoters and promoter group in the Target Company.
- 2.1.3 There is no person acting in concert (“**PAC**”) with the Acquirers within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 2.1.4 The Acquirers are making a Voluntary offer to acquire 21,15,61,570 fully paid up Equity Shares of Re.1/- (Rupee One Only) each representing 22.00% of total equity and voting share capital of the Target Company, at a price of Re.0.50/- (Fifty Paise Only) per equity share (the “**Offer Price**”) payable in cash, subject to the terms and conditions mentioned hereinafter.
- 2.1.5 The details of the Sellers are not applicable, since this Draft Letter of Offer is being issued pursuant to the voluntary open offer in accordance with Regulation 6 of the SEBI (SAST) Regulations.

- 2.1.6 The Manager to the Offer i.e. CapitalSquare Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of this Draft Letter of Offer. The Manager to the Offer has further declared and undertakes that they shall not deal in the Equity Shares of the Target Company on their own account during the offer period.
- 2.1.7 The Offer is not a result of global acquisition resulting in indirect acquisition of the Target Company.
- 2.1.8 The Acquirers have not been prohibited by SEBI from dealing in the securities, in terms of the directions issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.
- 2.1.9 The Acquirers hold Equity Shares/voting rights of MIFL. The provisions of Chapter V of SEBI (SAST) Regulations, 2011 are applicable to the Acquirers and the Acquirers have complied with the provisions of Chapter V of SEBI (SAST) Regulations, 2011.
- 2.1.10 As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Open Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the Detailed Public Statement of the Open Offer was published.

2.2 Details of the proposed Voluntary Offer

- 2.2.1. The Public Announcement to the Public Shareholders of the Target Company was issued on Wednesday, August 04, 2021 by the Manager to the Offer, for and on behalf of the Acquirers. A copy of the said Public Announcement was filed with SEBI, BSE Limited, and the Target Company Wednesday, August 04, 2021
- 2.2.2. The Acquirers have made a Public Announcement on August 04, 2021 to SEBI, BSE and Target Company and Detailed Public Statement pursuant on August 07, 2021, Saturday which was published in the following newspapers on August 09, 2021, Monday in accordance with the Regulation 14 (3):

Publication	Language	Edition
Business Standard	English and Hindi	All Editions
Mumbai Lakshdeep	Marathi	Mumbai Edition
Arthik Lipi	Bengali	Kolkata Edition

- 2.2.3. The Detailed Public Statement is also available on the website of SEBI at www.sebi.gov.in; website of BSE at www.bseindia.com; and the website of Manager to the Offer www.capitalsquare.in
- 2.2.4. The Acquirers have proposed to acquire from the existing Equity Shareholders of MIFL 21,15,61,570 Equity Shares of Re.1/- (Rupee One Only) each representing 22.00% of total Equity and voting Share capital of the Target Company, at a price of Re.0.50/- (Fifty Paise Only) (the “Offer Price”) per Equity share payable in cash (the “Offer” of “Open Offer”) in accordance with Regulation 9(1)(a) of SEBI (SAST) Regulations and subject to the terms and conditions set out in the Public Announcement, the Detailed Public Statement and this Draft Letter of Offer.
- 2.2.5. The Target Company doesn’t have any partly paid up shares. There are no outstanding warrants or option or similar instrument, convertible into Equity Shares at a later stage. No shares are subject to any lock- in obligations.
- 2.2.6. The Acquirers will accept all the Equity Shares of MIFL those that are tendered in valid form in terms of this Open Offer up to a maximum of 21,15,61,570 fully paid-up Equity Shares of Re.1/- (Rupee One Only) each representing 22.00% of the total Equity and voting Share capital of the Target Company.
- 2.2.7. This Open Offer is being made under SEBI (SAST) Regulations, to all the Public Shareholders of the Target Company as on Wednesday, 15 September, 2021 (**‘Identified Date’**), other than parties to the Share Purchase Agreement, and the Acquirers under Regulation 7 (6) of the SEBI (SAST) Regulations
- 2.2.8. The Acquirers have deposited more than 25 % of the total consideration payable to the Equity Shareholders under this Offer
- 2.2.9. This Open Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19(1) of SEBI (SAST) Regulations and is not a competitive bid in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 2.2.10.No competitive bid has been received as on date of this Draft Letter of Offer.

- 2.2.11. The Equity Shares of the Target Company will be acquired by Acquirers free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 2.2.12. This Open Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 2.2.13. The Manager to the Offer, CapitalSquare Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer. They hereby declare and undertake that, they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer until the expiry of 15 (Fifteen) Days from the date of closure of this Open Offer;
- 2.2.14. This Open Offer is subject to the receipt of the statutory and other approvals for this Detailed Public Statement. In terms of Regulation 23 (1) (a) of the SEBI (SAST) Regulations, if the statutory approvals are not received, this Open Offer will stand withdrawn;
- 2.2.15. The Equity Shares will be acquired by the Acquirers free from all lien, charges and encumbrances and together with all the rights attached to, including all the rights to dividend, bonus and rights offer declared thereof;
- 2.2.16. As per Regulation 38 of SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Open Offer, assuming full acceptance, the Public Shareholding in the Target Company will not fall below the minimum Public Shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015.
- 2.2.17. Upon completion of the Open Offer, assuming full acceptances in the Open Offer, Acquirers will hold 71,67,80,880 (Seventy-One Crores Sixty-Seven Lakhs Eighty Thousand Eight Hundred and Eighty Only) Equity Shares constituting 74.54% of the present issued, subscribed and paid up share capital of the Target Company.
- 2.2.18. Except as stated below none of the other Acquirers have acquired any Equity Shares of the Target Company during the period of 52 (Fifty-two) week's period prior to the date of the Public Announcement:

Name of the Acquirer	Mode of Acquisition	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Percentage of total Equity Share capital and Voting Share Capital
Yatin Gupte (Acquirer 1)	Open Offer	Wednesday, June 23, 2021	4,80,82,175	5.00%
	Off Market through Share Purchase Agreement	Monday, June 28, 2021	46,92,000	0.49%
	Off Market through Share Purchase Agreement	Wednesday, June 30, 2021	4,33,90,175	4.51%
Sojan V Avirachan (Acquirer 2)	Open Offer	Thursday, June 24, 2021	8,65,47,915	9.00%
	Off Market through Share Purchase Agreement	Thursday, July 01, 2021	8,65,47,915	9.00%
R Venkataramana (Acquirer 3)	Open Offer	Thursday, June 24, 2021	4,80,82,175	5.00%
	Off Market through Share Purchase Agreement	Wednesday, June 30, 2021	4,80,82,175	5.00%
Garuda Mart India Private Limited (Acquirer 4)	Open Offer	Wednesday, June 23, 2021	1,92,32,870	2.00%
	Off Market through Share Purchase Agreement	Wednesday, June 30, 2021	1,92,32,870	2.00%
Wardwizard Solutions India Private Limited (Acquirer 5)	Open Offer	Wednesday, June 23, 2021	4,80,82,175	5.00%
	Off Market through Share Purchase Agreement	Wednesday, June 30, 2021	5,32,46,865	5.54%

2.3 Object of the Acquisition/Offer:

- 2.3.1 The prime object of this Open Offer is to consolidate the stake of Promoters and Promoter Group in the Target Company.
- 2.3.2 The Acquirers have proposed to continue existing business of the Target Company and may diversify its business activities in future with prior approval of the shareholders.

- 2.3.3 The Acquirer belongs to the existing Promoter and Promoter Group of the Target Company;
- 2.3.4 This Open Offer is for acquisition of 22.00% of total Equity and voting Share capital of the Target Company. After the completion of this Open Offer and pursuant to transfer of Equity Shares so acquired, the Acquirers shall hold the majority of the Equity Shares by virtue of which they shall be in a position to exercise effective management and control over the Target Company.

3. BACKGROUND OF THE ACQUIRERS:

3.1 YATIN GUPTE: (Acquirer 1)

- 3.1.1 Yatin Gupte, S/o Sanjay Mahadeo Gupte, aged 42 is residing at 12/a, Suramya Bungalows, Raipura Road, Bhayali Gaon, Behind Lalguru Farm, Bhayli Vadodara – 391410, Gujarat, India, bearing Permanent Account Number ‘AIHPG2333B’ under the Income Tax Act, 1961, with contact details of Acquirer 1 being ‘+91 9586055500, +91 9974155500’ and his Email Addresses being ‘yatin@wardwizard.in, yatingupte_2000@yahoo.co.in’
- 3.1.2 Acquirer 1 holds a Masters of Business Administration (M.B.A Exe.), in Insurance from Bharitya Shiksha Parishad, Uttar Pradesh and has more than 16 (Sixteen) years of experience and expertise in the field of Sales Marketing, Business Development Client Servicing Renewals and Operations (including 11 years of experience in Insurance). Since January 2014, he is the Group Chairman of Wardwizard;
- 3.1.3 Acquirer 1 is acting in the capacity of a managing director at Wardwizard Innovations & Mobility Limited (formerly known as Manvijay Development Company Limited), and as a director at Wardwizard Solutions India Private Limited (Acquirer 5), Mangalam Industrial Finance Limited (Target Company), I Secure Credit & Capital Services Limited (Formerly known as Orchid Securities Limited), Skypost Multiservices Private Limited, and is a designated partner at Kerala Health and Wellness Solution Limited Liability Partnership;
- 3.1.4 The Net worth of Acquirer 1 is Rs.6,68,08,78,178.33/- (Rupees Six Hundred and Sixty-Eight Crores Eight Lakhs Seventy-Eight Thousand One Hundred and Seventy-Eight and Paise Thirty-Three Only) as on July 29, 2021, as certified on August 02, 2021 by Chartered Accountant Rutvij Vyas bearing membership number ‘109191’, partner at M/s VCA & Associates (Chartered Accountants) bearing firm registration number ‘114414W’ having their office located at 503, Sterling Center, Beside Center Point, R.C. Dutt Road, Vadodara – 390007, Gujarat, India and head office at 402, Capri House, B/H. Express Hotel, Alkapuri, Vadodara – 390007, Gujarat, India with contact details being ‘0265-2325561, +91-9825124489’, Email Address being ‘vca.rutvij@gmail.com’ and Website being ‘www.vca-ca.com’;

3.2 SOJAN V AVIRACHAN: (Acquirer 2)

- 3.2.1 Sojan V Avirachan, s/o Avirachan, aged 43, resident at Vettukallel, Thommankuthu P.O, Thommankuthu, Nadakkal, Vannapuram, Idukki, Vannapuram – 685607, Kerala, India, bearing Permanent Account Number ‘BWYPS2447E’ under the Income Tax Act, 1961 with contact number being ‘+91 7907351671, +91 9961741263’ and Email Address being ‘sojanmba2007@gmail.com’;
- 3.2.2 Acquirer 2 has completed Masters of Business Administration in Finance and Masters of Business Administration HR from Anna University Chennai in 2007 and is awarded Honorarium Doctorate from International Tamil University in 2018 as reorganization on his talents and activities in financial industry especially in co-operative sector. Acquirer 2 has more than 13 (Thirteen) years of experience in the field of Administration, Investment, Banking and Finance activities.
- 3.2.3 Acquirer 2 is acting in the capacity of a managing director at I Secure Credit & Capital Services Limited (Formerly known as Orchid Securities Limited), and as a director at Aevas Business Solution Private Limited, Aevas Visual Magic Private Limited, Aevas Ayurveda Private Limited, Dhanwanthari Health and Wellness Solutions Private Limited, and Mangalam Industrial Finance Limited (Target Company), and is an individual partner at Kerala Health and Wellness Solution Limited Liability Partnership and a designated partner at High Toughened Glasses Limited Liability Partnership;
- 3.2.4 The Net worth of Acquirer 2 as on Monday, August 02, 2021 is Rs.4,925.00/- Lakhs (Rupees Four Thousand Nine Hundred Twenty-Five Lakhs Only) as certified on August 02, 2021 by Chartered Accountant Joseph Lal bearing

membership number ‘226995’, partner at Josephlal Associates (Chartered Accountants) bearing Firm Registration Number ‘014248S’ having their office located at Flamon Complex, IIIrd Floor, Kuriachira - 680006, Thrissur, Kerala with contact details being ‘+91-9400499177, 0487- 7960040’ and Email Address being ‘cajosephlal@gmail.com, josephlalassociates@gmail.com’;

3.3 R. VENKATARAMANA (Acquirer 3)

- 3.3.1 R.Venkataramana, s/o Penchalaiah Revuru, aged 46 years, resident at 13/1 2nd Cross Sreekar Mansion, Raghuram Reddy Layout, Near BBMP Office, Bangalore North, Doddanekkundi, Bangalore– 560037, Karnataka, India, bearing Permanent Account Number ‘AHSPR8820L’ under the Income Tax Act, 1961 with contact details being ‘+91 7019333148, +91 9986768847’ and Email Address being ‘rvramana171@gmail.com’;
- 3.3.2 Acquirer 3 has completed his Masters of Business Administration from Sri Krishnadevaraya University, Andhra Pradesh and Post Graduate Diploma in Information Technology from Manipal Academy of Higher Education, Karnataka. He has more than 17 (Seventeen) years of experience and expertise in the field of sales, business development, product training, client servicing, marketing, portfolio management, market research, general administration and strategic planning and financial products, multiple bonds, infrastructure, term deposits, and loans;
- 3.3.3 Acquirer 3 is the promoter and director of Garuda Mart India Private Limited (Acquirer 4), Ashrama Vidyarthi Akshaya Seva Sadan Foundation, and is additionally acting in the capacity of a director at I Secure Credit & Capital Services Limited (Formerly known as Orchid Securities Limited), Mangalam Industrial Finance Limited (Target Company), and Garudayaan Logistics Private Limited;
- 3.3.4 The Net worth of Acquirer 3 as on July 30, 2021 is Rs.532 Lakhs/- (Rupees Five Hundred Thirty-Two Lakhs Only) as certified on August 02, 2021 by Chartered Accountant Prasanna Adiga bearing membership number ‘227199’, proprietor at Prasanna Adiga (Chartered Accountants) having their office located at 370/60, 1st Floor, 50 Ft. Road, 9th Main, Hanumanth Nagar, Bengaluru- 560019, Karnataka, India with contact details being ‘+91-9901185679, +91-8150025252’ and Email Address being ‘caprasanna.adiga@gmail.com’;

3.4 GARUDA MART INDIA PRIVATE LIMITED: (Acquirer 4)

- 3.4.1 Acquirer 4 was incorporated as Garuda Mart India Private Limited on March 16, 2017 under the provisions of the Companies Act, 2013 bearing Corporate Identification Number ‘U74999KA2017PTC101399’, bearing Permanent Account Number ‘AAGCG7450D’ under the Income Tax Act, 1961, and having its registered office situated at 2,103/5, Ground Floor, 3rd Main Road, Doddanekkundi, Bangalore – 560037, Karnataka, India with contact details being ‘+917019333148, +918722221199’ and Email Address being ‘rvramana171@gmail.com’ and website being ‘www.garudamartindia.com’;
- 3.4.2 The Authorized Equity Share Capital of Acquirer 4 is Rs.1,00,00,000.00/- (Rupees One Crores) comprising of 10,00,000 (Ten Lakhs) Equity Shares of face value of Rs.10.00/- (Rupees Ten Only) each; and the paid-up Equity Share capital being Rs.51,00,000.00/- (Rupees Fifty-One Lakhs) divided into 5,10,000 (Five Lakhs Ten Thousand) Equity Shares of face value of Rs.10.00/- (Rupees Ten Only) each. None of the Equity Shares of face value of Rs.10.00/- (Rupees Ten Only) each are listed on any stock exchanges in India;
- 3.4.3 The current Board of Directors of **Acquirer 4** are as follows:

Name of the Promoter and Director	Venkata Ramana Revuru	Yerrabommanahalli Naganna Kalavathi
Director Identification Number	02809108	02832844
Qualification and Experience	He has completed his Masters of Business Administration from Sri Krishnadevaraya University, Andhra Pradesh and Post Graduate Diploma in Information Technology from Manipal Academy of Higher Education, Karnataka and has more than 17 (Seventeen) years of experience and expertise in the field of sales, business development, product training,	She is holds M Tech in Engineering. She has more than 3 years of experience in the field of administration.

	client servicing, marketing, portfolio management, market research, general administration and strategic planning and financial products (includes mutual fund, insurance (life or non-life), multiple bonds, infrastructure, term deposits (government or non-government), shares/ demat account) and loans (includes personal, business, vehicle, mortgage and home	
Date of Appointment	March 16, 2017	March 16, 2017
Designation	Director	Director
No. of equity shares held	5,09,500	500

- 3.4.4 One of the director of Acquirer 4, namely being Venkata Ramana Revuru (Acquirer 3) is also acting in the capacity of Additional Executive Non-Independent Director in the Target Company;
- 3.4.5 Acquirer 4 is engaged in the field of technology and health oriented consumer products providing high quality smart televisions, home appliances and electric vehicles. It comprises of VYOM brand of LED TV's, car purifiers, air purifiers, water purifiers and hydrogen water cup sourced from across the globe and now offers JOY E BIKE, the battery powered bicycle and it has recently launched NANU e-scooter. The company has multiple outlets of electronic items, wherein they offer thoughtful combination of different electronic items at affordable prices. List of some products of Garuda Mart: LED TV, Air Purifier, Home theatre, Mixer Grinder, Washing Machine and AC & Refrigerator. Acquirer 4 is the promoter of Wardwizard Innovations & Mobility Limited (Formerly known as Manvijay Development Company Limited)
- 3.4.6 The financial details of Acquirer 4 as per the audited accounts for the last three financial years March 31, 2021, March 31, 2020 and March 31, 2019 are as follows:

Profit and Loss Statement

(Amount in Lakhs except Equity Share Data)

Particulars	31-March-2021	31-March-2020	31-March-2019
	(Audited)	(Audited)	(Audited)
Income from Operations	872.91	353.26	162.98
Other Income	0.37	0.09	3.37
Total Income	873.28	353.35	166.35
Total Expenditure	861.37	347.69	163.12
Profit/ (Loss) before Exceptional and Extraordinary Item and Tax	11.91	5.66	1.20
Profit/ (Loss) before Tax	11.91	5.66	1.20
Less: Current Tax	-	-	0.61
Deferred Tax (Asset)/Liability	(1.69)	(0.09)	(0.41)
Profit/ (Loss) After tax	13.60	5.75	1.00

Balance Sheet

(Amount in Lakhs except Equity Share Data)

Particulars	31-March-2021	31-March-2020	31-March-2019
	(Audited)	(Audited)	(Audited)
(A) Sources of funds			
Paid up share capital	51.00	5.00	5.00
Reserves and Surplus (excluding revaluation reserves)	20.70	7.10	1.35
Net Worth	69.45	11.54	5.88
Non-Current Liabilities	1,166.19	666.07	183.25
Current Liabilities	5.85	7.28	52.82
Total (A)	1,243.74	685.45	241.95
(B) Uses of funds			
Net Fixed Assets	45.74	41.20	4.33
Non-Current Assets	337.50	113.16	12.37
Current Assets	860.50	531.09	225.25
Total (B)	1,243.74	685.45	241.95

Other Financial Data

For the Year Ended	31-March-2021	31-March-2020	31-March-19
	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-
Basic and Diluted Earnings per Share	2.67	11.50	2.01
Return on Net worth (%)	19.58%	49.83%	17.00%
Book Value Per Share (Rs.)	13.62	23.08	11.76

Note:

EPS = Profit after tax / number of outstanding Equity Shares at the close of the year/ period.

Return on Net Worth = Profit after Tax / Net Worth

Book Value per Share = Net Worth / No. of Equity Shares

Source: Audited Annual Reports/ Audited Financial Statements

3.5 WARDWIZARD SOLUTIONS INDIA PRIVATE LIMITED (Acquirer 5)

- 3.5.1 Acquirer 5 was incorporated as Wardwizard Solutions India Private Limited on March 14, 2016 under the provisions of the Companies Act, 2013 bearing the corporate identification number 'U74900GJ2016PTC086439', bearing Permanent Account Number 'AABCW7891F' under the Income Tax Act, 1961, and having its registered office situated at Shed No.C- 222, GIDC, Makarpura Industrial Estate, Vadodara - 390010, Gujarat, India with contact details being '+91 9727755083'; Email Address being 'yatin@wardwizard.in' and website being 'www.wardwizard.in';
- 3.5.2 The Authorized Equity Share Capital of Acquirer 5 is Rs.52,35,00,000.00/- (Rupees Fifty-Two Crores Thirty-Five Lakhs) comprising of Rs.2,35,00,000.00/- (Rupees Two Crores Thirty-Five Lakhs) comprising of 23,50,000 (Twenty-Three Lakhs Fifty Thousand) equity shares of face value of Rs.10.00/- (Rupees Ten Only) each and Rs.5,00,00,000.00/- (Rupees Five Crores) 9% Non- Cumulative Non-convertible, Non-Participating Redeemable preference shares of face value of Rs.10.00/- (Rupees Ten Only) each; and the issued, subscribed and paid-up share capital being Rs.50,35,00,000.00/- (Rupees Fifty Crores Thirty-Five Lakhs divided into 3,50,000 (Three Lakhs Fifty Thousand) equity shares of face value of Rs.10.00/- (Rupees Ten Only) each and 50,00,000.00 (Fifty Lakhs) 9% Non- Cumulative Non-convertible, Non-Participating Redeemable preference shares of face value of Rs.10.00/- (Rupees Ten Only) each. None of the equity shares of face value of Rs.10.00/- (Rupees Ten Only) each and 9% Non- Cumulative Non-convertible, Non-Participating Redeemable preference shares of face value of Rs.10.00/- (Rupees Ten Only) each are listed on any stock exchanges in India;
- 3.5.3 The equity shares of face value of Rs.10.00/- (Rupees Ten Only) each of Acquirer 5 are held by Yatin Gupte (Acquirer 1) holding 3,44,900 (Three Lakhs Forty-Four Thousand Nine Hundred) equity shares, Sanjay Mahadev Gupte holding 5,000 (Five Thousand) and ICCSL holding 100 (One Hundred) equity shares;
- 3.5.4 The current Board of Directors of Acquirer 5 are as follows:

Name of the Promoter and Director	Yatin Gupte (Acquirer 1)	Sanjay Mahadev Gupte
Director Identification Number	07261150	08286993
Qualification and Experience	He holds a Master's degree in Business Administration in Insurance from Bharitya Shiksha Parishad, Uttar Pradesh and has more than 16 (Sixteen) years of experience and expertise in field of sales marketing, business development, client servicing, renewals and operations, and has 11 (Eleven) years of experience in the insurance	He has approximately 45 (Forty-Five) years of experience in the field of Engineering and worked with different groups of the Companies. He has an experience working as a General Manager Marketing with Poggen-AMP Nagar Sheth Powertronics Ltd; and is a National Apprenticeship Certificate course in the Trade of Machinist IN Mumbai G.K.W Limited;
Date of Appointment	March 14, 2016	November 27, 2018
Designation	Director	Director

- 3.5.5 One of the director of Acquirer 5, namely being Yatin Gupte (Acquirer 1) is also acting in the capacity of Additional Non-Executive Non-Independent Director in the Target Company;
- 3.5.6 Acquirer 5 is engaged in the business of to carry manufacturing a wide range of Electric Bike and Electric Bicycle i.e. Electric Mountain Bicycle, Rockfeller Model, Folding Mountain Electric Bicycle, Electric Bicycle for Children and Joy E Bike Advance Electric Bicycle. Acquirer 5 is the promoter of Wardwizard Innovations & Mobility Limited (Formerly known as Manvijay Development Company Limited).
- 3.5.7 The financial details of Acquirer 5 as per the audited accounts for the last three financial years March 31, 2021; March 31, 2020 and March 31, 2019 are as follows:

Profit & Loss Statement

(Amount in Lakhs except Equity Share Data)

Particulars	31-March-2021	31-March-2020	31-March-2019
	(Audited)	(Audited)	(Audited)
Income from Operations	8,689.00	1,805.88	565.47
Other Income	47.68	32.84	2.53
Total Income	8,736.68	1,838.72	568.00
Total Expenditure	8,522.19	1,802.40	563.24
Profit/ (Loss) before Extraordinary Item and Tax	214.49	36.32	4.76
Profit/ (Loss) before Tax	214.49	36.32	4.76
Less: Current Tax	80.00	-	-
Deferred Tax (Asset)/Liability	(12.43)	-	-
Profit/ (Loss) After tax	146.93	36.32	4.76

Balance Sheet

(Amount in Lakhs except Equity Share Data)

Particulars	31-March-2021	31-March-2020	31-March-2019
	(Audited)	(Audited)	(Audited)
(A) Sources of funds			
Paid up share capital	5,035.00	35.00	11.00
Reserves & Surplus (excluding revaluation reserves)	188.69	41.76	5.44
Net Worth	5,223.69	76.76	16.44
Non-Current Liabilities	844.92	4,159.42	1262.80
Current Liabilities	496.79	43.20	9.31
Total (A)	6,565.40	4,192.98	1,269.93
(B) Uses of funds			
Net Fixed Assets	487.49	550.38	72.62
Non-Current Assets	1,833.29	1,324.77	489.62
Current Assets	4,244.62	2,317.82	707.69
Total (B)	6,565.40	4,192.98	1,269.93

Other Financial Data

For the Year Ended	31-March-2021	31-March-2020	31-March-2019
	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-
Basic and Diluted Earnings Per Share (Rs.)	41.98	10.38	4.33
Return on Net worth (%)	2.81%	47.31%	28.95%
Book Value Per Share (Rs.)	23.12	21.93	14.95

Note:

$EPS = \text{Profit after tax} / \text{number of outstanding Equity Shares at the close of the year/ period.}$

$\text{Return on Net Worth} = \text{Profit after Tax} / \text{Net Worth}$

$\text{Book Value per Share} = \text{Net Worth} / \text{No. of Equity Shares}$

Source: Audited Annual Reports/ Audited Financial Statements

3.6 ACQUIRERS CONFIRMATION AND UNDERTAKINGS

- 3.6.1 As on date of this Detailed Public Statement, the holdings of the Equity Shares of the Acquirers of the Target Company are given as below:

Sr. No.	Name of the Acquires	Number of Equity Shares held	% of Equity Shares held of the Target Company
1.	Yatin Gupte (Acquirer 1)	9,61,64,350	10.00%
2.	Sojan V Avirachan (Acquirer 2)	17,30,95,830	18.00%
3.	R Venkataramana (Acquirer 3)	9,61,64,350	10.00%
4.	Garuda Mart India Private Limited (Acquirer 4)	3,84,65,740	4.00%
5.	Wardwizard Solutions India Private Limited (Acquirer 5)	10,13,29,040	10.54%
	Total	50,52,19,310	52.54%

- 3.6.2 As on date of this Draft Letter of Offer, the Acquirers are related and hold interest and relationship in the Target Company by virtue of being the shareholders and promoters of the Target Company, and additionally Acquirer 1, Acquirer 2, and the Acquirer 3 are the directors of the Target Company. Further, none of the Acquirers have any interest or relationship with the key employees of Target Company;
- 3.6.3 As on date of this Draft Letter of Offer, the Acquires are forming a part of the present Promoter and Promoter Group of the Target Company;
- 3.6.4 The Acquirers, and their promoters, directors, and key employees, have individually, confirmed and declared that, they have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), or under any other regulation made under the SEBI Act;
- 3.6.5 The Acquirers, and their promoters, directors, and key employees, have individually, confirmed and declared that, they have not been categorized nor are appearing in the 'Wilful Defaulter' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters issued by SEBI;
- 3.6.6 The Acquirers, and their promoters, directors, and key employees, have individually, further confirmed and declared, the Acquirers are not declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018;
- 3.6.7 The Acquirers have stated that, there are no persons acting in concert in relation to this Open Offer within the meaning of Regulation 2 (1) (q) (1) of the SEBI (SAST) Regulations;
- 3.6.8 The Acquirers, hereby individually, undertake that, they will not sell the Equity Shares of the Target Company, held and acquired by them, if any, during the Open Offer period in terms of Regulation 25 (4) of the SEBI (SAST) Regulations

4. BACKGROUND OF TARGET COMPANY – MANGALAM INDUSTRIAL FINANCE LIMITED (MIFL)

(The disclosure mentioned under this section has been sourced from Target Company or publicly available sources)

- 4.1 The Target Company was originally incorporated on February 08, 1983 in Kolkata, West Bengal, India and has their registered office situated at Subol Dutt Building, 13, Brabourne Road, Mezzanine Floor Kolkata – 700001, West Bengal, India and their Corporate Office located at Hall No-1, M R Icon, Next To Milestone Vasna Bhayli Road, Vadodara - 391410, Gujarat, India;
- 4.2 The Target Company is registered with Reserve Bank of India as a Non- Deposit taking Non- Banking Financial Company ('NBFC') vide Registration No. B.05.02961, in terms of Section 45IA of the Reserve Bank of India Act, 1934.
- 4.3 As on date of the Draft Letter of Offer, the capital structure of the Target Company is as follows:

Paid up Equity Shares of Target Company	No. of Shares / Voting Rights
Authorized Equity Shares	96,17,00,000 Equity Shares of Re.1.00 each
Fully Paid-up Equity Shares	96,16,43,500
Partly Paid-up Equity Shares	Nil
Total Paid-up Equity Shares	96,16,43,500 Equity Shares of Re.1.00 each
Total voting rights in the Target Company	96,16,43,500 Equity Shares of Re.1.00 each

- 4.4 As on date the Target Company does not have any partly paid Equity Shares. There are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. No shares are subject to any lock in obligations.
- 4.5 The entire Equity Share capital and Voting Share Capital of the Target Company is listed at BSE Limited. The Equity Shares have been delisted from The Calcutta Stock Exchange w.e.f. April 02, 2018 under Securities and Exchange Board of India (Delisting of Equity Shares Regulation), 2009. The Target Company has already established connectivity with Central Depositories Services (India) Limited (“CDSL”) and National Securities Depository Limited (“NSDL”); and the Equity Shares of the Target Company bearing International Securities Identification Number ‘INE717C01025’ are placed under Group ‘XT’ bearing Scrip Code ‘537800’ and Scrip ID ‘MANGIND’ on the BSE Limited;
- 4.6 Based on the information available on the BSE Limited’s website, the Equity Shares are not frequently traded within the meaning of explanation provided in Regulation 2 (1) (j) of the SEBI (SAST) Regulations;
- 4.7 The Target Company is in compliance with the SEBI (LODR) Regulations and as on date of this DLoO, no penal action has been taken by the stock exchange against the target company.
- 4.8 The Target Company has not done any buyback in the past three financial years.
- 4.9 The Present Board of Directors of Target Company are as under:

Sr. No.	Name	Date of Appointment	Director Identification Number	Designation
1.	Venkata Ramana Revuru (Acquirer 3)	June 03, 2021	02809108	Additional Executive Non-Independent Director
2.	Yatin Gupte (Acquirer 1)	June 03, 2021	07261150	Additional Non-Executive Non-Independent Director
3.	Sojan V Avirachan (Acquirer 2)	June 03, 2021	07593791	Additional Non-Executive Non-Independent Director
4.	Bhargav Govindprasad Pandya	June 03, 2021	08693675	Additional Non-Executive Non-Whole Time Independent Director
5.	Nikhil Bhagwanshanker Dwivedi	June 03, 2021	08865234	Additional Non-Executive Non-Whole Time Independent Director
6.	Neelambari Harshal Bhujbal	June 03, 2021	09195568	Additional Non-Executive Non-Whole Time Independent Director

Financial Information:

- 4.10 The financial details of the Target Company as per the audited accounts for financial years ended March 31,2021; March 31, 2020 and March 31, 2019 are as follows:

Profit & Loss Statement:*(Amount in Lakhs except Equity Share Data)*

Particulars	For the year ended		
	March 31, 2021	March 31, 2020	March 31, 2019
Income from Operations	204.52	220.04	224.52
Other Income	0.75	1.57	0.85
Total Income	205.27	221.61	225.37
Total Expenditure	115.06	234.86	221.83
Profit/ (Loss) before Interest, Depreciation and Tax	90.21	(13.26)	3.65
Depreciation & Amortization Expenses	-	0.01	0.10
Interest	-	-	-
Profit/ (Loss) before Tax	90.21	(13.25)	3.55
Add: Exceptional Items	-	-	-
Less: Current Tax	(23.46)	-	(0.94)
Deferred Tax	-	-	0.02
Taxes for earlier period	-	-	-
Profit/ (Loss) After tax	66.75	(13.25)	2.62

Balance Sheet*(Amount in Lakhs except Equity Share Data)*

Particulars	For the year ended		
	March 31, 2021	March 31, 2020	March 31, 2019
(A) Sources of funds			
Paid up share capital	9,616.44	9,616.44	9,616.44
Reserves & Surplus (excluding revaluation reserves)	(6,411.52)	(6,214.41)	(6,200.90)
Less: Miscellaneous Expenditure not written off	-	-	-
Net Worth	3,204.92	3402.03	3,415.54
Non-Financials Liabilities	86.18	101.09	-
Current Liabilities	-	-	63.578
Total (A)	3,291.09	3,503.10	3,479.12
(B) Uses of funds			
Net Fixed Assets	0.04	0.04	0.06
Financial Assets	2,769.28	3,447.51	3,343.49
Non-Financial Assets	521.77	55.59	135.57
Total (B)	3,291.09	3,503.10	3,479.12

Other Financial Data

For the Year Ended	March 31, 2021 (Audited)	31-March-2020 (Audited)	31-March-2019 (Audited)
Dividend (%)	-	-	-
Basic and Diluted Earnings Per Share (Rs.)	0.002	(0.001)	0.000
Return on Net worth (%)	2.08%	-	0.08%
Book Value Per Share (Rs.)	0.33	0.35	0.36

4.11 **Pre and Post-Offer Shareholding Pattern of MIFL (based on Issued, Subscribed & Paid-up Equity and Voting Share Capital) is as under:**

Shareholders' Category	Shareholding/voting rights prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoter								

(a) Parties to Agreement:	-	-	-	-	-	-	-	-
(b) Promoters and Promoters group including PACs								
2. Acquirers:								
Yatin Gupte	9,61,64,350	10.00%			21,15,61,570	22%	71,67,80,880	74.54%
Sojan V Avirachan	17,30,95,830	18.00%						
R.Venkataramana	9,61,64,350	10.00%						
Garuda Mart India Private Limited	3,84,65,740	4.00%						
Wardwizard Solutions India Private Limited	10,13,29,040	10.54%						
Total 2	Nil	NA			21,15,61,570	22.00%	71,67,80,880	74.54%
3. Parties to Agreement other than 1 & 2	-	-	-	-	-	-	-	-
4. Public (other than Parties to Agreement and Acquirers) #								
a. FIs/MFs/FIIs/Banks/SFIs (Indicate names)	-	-	-	-	(21,15,61,570)	(22.00%)	24,48,62,60	25.46%
b. Others	45,64,24,190	47.46 %	-	-				
Total (4) (a+b+c)	45,64,24,190	47.46 %	-	-				
GRAND TOTAL (1+2+3+4)	96,16,43,500	100.00%			NIL	NIL	96,16,43,500	100.00%

Notes:

- i. No Equity Shares are subject to lock in.
- ii. The Acquirers have not acquired any shares from the date of PA till the date of this Draft Letter of Offer.

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS:

5.1 Justification of Offer Price:

- 5.1.1 The Equity Shares of the Target Company are listed at the BSE Limited (BSE). The shares are placed under Group 'XT', having a scrip code of "537800" & Scrip Id: MANGIND on the BSE.
- 5.1.2 The total trading turnover in the Equity Shares of the Target Company on the BSE i.e. the nation-wide trading terminal based on trading volume during the twelve calendar months prior to the month of PA (August 04, 2021) is as given below:

Stock Exchange	Total No. of Equity Shares traded during the Twelve calendar months prior to the month of PA	Total No. of listed equity shares of the Target Company	Total Trading Turnover (as % of total equity shares Listed)
BSE	4,82,86,439	96,16,43,500	5.02%

- 5.1.3 Based on the above information available on the website of BSE, Equity Shares of the Target Company are not frequently traded shares within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.

5.1.4 The Offer Price has been determined taking into account the parameters as set out under regulation 8 (2) of the SEBI (SAST) Regulations, as under:

Sr. No.	Particulars	Price (In Re per share)
1.	Negotiated Price under the SPA	Not Applicable
2.	The Volume Weighted Average Price paid or payable for acquisitions by the Acquirers during 52 weeks immediately preceding the date of PA	Not Applicable
3.	Highest price paid or payable for acquisitions by the Acquirers during 26 weeks immediately preceding the date of PA	Re. 0.50/-
4.	The Volume Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5.	Other Financial Parameters as at March 31, 2021:	
	(a) NAV per Equity share	Re. 0.33/-
	(b) Price Earning Capacity Value per Equity Share	Not Applicable
	(c) Market Based Value	Not Applicable

Chartered Accountant Bhavesh Rathod, Proprietor of M/s Bhavesh Rathod & Co. Chartered Accountants, (Firm Registration No.1402046W), having their office at A/101, Shelter CHSL, CSC Road, Dahisar (East), Mumbai – 400 068, Maharashtra, India, Tel: +91 9769113490, E-mail: info@cabhaves@gmail.com vide valuation certificate dated Tuesday, June 16, 2021, calculated the fair value of the Equity Shares of Target Company as Re.0.33/- (Thirty-Three Paise Only) per Equity Share.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manger to the Offer, the Offer Price of Re.0.50/- (Fifty Paise Only) per Equity Share being the highest of the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations.

5.1.5 As on date of this Draft Letter of Offer, there is no revision in Open Offer price or Open Offer size. In case of any revision in the Open Offer price or Offer Size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations and all other applicable provisions of SEBI (SAST) Regulations.

5.1.6 If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working days before the date of commencement of the tendering period and would be notified to shareholders.

5.1.7 If the Acquirers, acquire or agrees 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 Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the Regulations, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirers shall (i) make public announcement in the same newspapers in which the Detailed Public Statement has been published; and (ii) simultaneously notify to SEBI, BSE, and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the Regulations.

5.1.8 If the Acquirers, acquire Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another Open Offer under Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

5.2 Financial Arrangements:

5.2.1 In terms of Regulation 25(1), the Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ Net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged. Chartered Accountant Rutvij Vyas bearing membership number '109191', partner at M/s VCA & Associates (Chartered Accountants) bearing firm registration number '114414W' having their office located

at 503, Sterling Center, Beside Center Point, R.C. Dutt Road, Vadodara – 390007, Gujarat, India and head office at 402, Capri House, B/H. Express Hotel, Alkapuri, Vadodara – 390007, Gujarat, India with contact details being ‘0265-2325561, +91-9825124489’, Email Address being ‘vca.rutvij@gmail.com’ and Website being ‘www.vca-ca.com’, have vide certificate dated August 02, 2021 stated that sufficient resources are available with the Acquirer 1 and Acquirer 5 for fulfilling the Open Offer obligations in full; Chartered Accountant Joseph Lal bearing membership number ‘226995’, partner at Josephlal Associates (Chartered Accountants) bearing Firm Registration Number ‘014248S’ having their office located at Flamon Complex, IIIrd Floor, Kuriachira - 680006, Thrissur, Kerala with contact details being ‘+91-9400499177, 0487- 7960040’ and Email Address being ‘cjosephlal@gmail.com, josephlalassociates@gmail.com’ have vide certificate dated August 02, 2021 stated that sufficient resources are available with the Acquirer 2 for fulfilling the Open Offer obligations in full; and whereas Chartered Accountant Prasanna Adiga bearing membership number ‘227199’, proprietor at Prasanna Adiga (Chartered Accountants) having their office located at 370/60, 1st Floor, 50 Ft. Road, 9th Main, Hanumanth Nagar, Bengaluru- 560019, Karnataka, India with contact details being ‘+91-9901185679, +91-8150025252’ and Email Address being ‘caprasanna.adiga@gmail.com’ have vide certificate dated August 02, 2021 stated that sufficient resources are available with the Acquirer 3 and Acquirer 4 for fulfilling the Open Offer obligations in full;

- 5.2.2 The maximum consideration payable by the Acquirers to acquire 21,15,61,570 fully paid-up Equity Shares at the Offer Price of Re. 0.50 /- (Fifty Paise Only) per equity share, assuming full acceptance of the Open Offer would be Rs.10,57,80,785.00/- (Rupees Ten Crores Fifty-Seven Lakhs Eighty Thousand Seven Hundred and Eighty-Five Only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers has opened an Escrow Account under the name and style of “**MIFL-Open Offer Escrow Account**” with ICICI Bank Limited, (“Escrow Banker”) and has deposited Rs 2,65,00,000.00/- (Rupees Two Crores Sixty-Five Lakhs Only) i.e more than 25% of the total consideration payable in the Open Offer, assuming full acceptance.
- 5.2.3 The Manager to the Offer is authorized to operate the above mentioned Escrow account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 5.2.4 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirers to fulfill its obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.
- 5.2.5 In case of upward revision of the Offer Price and/ or the Offer Size, the Acquirers would deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the Regulations, prior to effecting such revision.

6. TERMS AND CONDITIONS OF THE OFFER:

- 6.1 The Letter of Offer will be mailed to all those Public Shareholders of Target Company whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on September 15, 2021; Wednesday (“**Identified Date**”).
- 6.2 All owners of the Equity Shares, Registered or Unregistered who own the Equity Shares any time prior to the Closing of the Open Offer are eligible to participate in the Open Offer as per the procedure set out in Para 7 below. Eligible persons can participate in the Open Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.
- 6.3 Accidental omission to dispatch the Letter of Offer or the non-receipt or delayed receipt of the Letter of Offer will not invalidate the Offer in anyway.
- 6.4 Subject to the conditions governing this Open Offer, as mentioned in the Letter of Offer, the acceptance of this Open Offer by the Public Shareholder(s) must be absolute and unqualified. Any acceptance to this Open Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.
- 6.5 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, 2011, Public Shareholders who tender their Equity Shares in the Offer shall not be entitled to withdraw such acceptance.

6.6 Locked-in Shares:

No Equity Shares of the Target Company are subject to lock- in.

6.7 Eligibility for accepting the Offer:

- 6.7.1 The Letter of Offer shall be mailed to all Equity Shareholders/ Beneficial Owners holding Equity Shares in dematerialized form (except the present promoter group shareholders and Acquirers) whose names appear in register of Target Company as on September 15, 2021; Wednesday, the Identified Date.
- 6.7.2 This Offer is also open to persons who own Equity Shares in Target Company but are not registered Shareholders as on September 15, 2021; Wednesday, the Identified date.
- 6.7.3 All Equity Shareholders/ Beneficial Owners (except the present promoter group Shareholders, and the Acquirers) who own Equity Shares of Target Company any time before the closure of the Offer are eligible to participate in the Offer.
- 6.7.4 The Acquirers have appointed Purva Sharegistry (India) Private Limited, as the Registrar to the Offer, having office at 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai – 400011, Maharashtra; Tel No.: 022 2301 2518 / 8261, E-mail-Id: support@purvashare.com, Website: www.purvashare.com. The Contact Person: Mr. Ms. Deepali Dhuri from 10:00 a.m. to 5:00 p.m. on working days (except Saturdays, Sundays and all public holidays), during the period the Offer is open.
- 6.7.5 The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance will also be available on the website of SEBI at: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the website of SEBI for applying in the Offer.
- 6.7.6 Unregistered Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.
- 6.7.7 The acceptance of this Offer by the Equity Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 6.7.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s)/beneficial owner(s) of Target Company.
- 6.7.9 The Acquirers, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms and Share Transfer Deed etc. during transit and the Equity Shareholders of Target Company are advised to adequately safeguard their interest in this regard.
- 6.7.10 The acceptance of Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager to the Offer.
- 6.7.11 The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer.

6.8 Statutory Approvals and conditions of the Offer:

- 6.8.1 To the best of knowledge and belief of the Acquirers, as of the date of this DLoO, there are no statutory approvals are required to acquire the equity shares that are validly tendered pursuant to this offer. If any statutory approval becomes applicable prior to the completion of the offer, this Offer would also be subject to such other statutory approval(s).
- 6.8.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required & received any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers have reserves the right to reject such Equity Shares tendered in this Offer.
- 6.8.3 The Acquirers in terms of Regulation 23 of SEBI (SAST) Regulations will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS had appeared.

6.8.4 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of Regulation 18(11) of SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

7.1 The Open Offer will be implemented by the Acquirers through Stock Exchange Mechanism as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI and on such terms and conditions as may be permitted by law from time to time.

7.2 BSE Limited shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.

7.3 The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE, which shall be the Designated Stock Exchange, in the form of a separate window (“**Acquisition Window**”).

7.4 For implementation of the Open Offer, the Acquirers have appointed Nikunj Stock Brokers Limited (the “**Buying Broker**”) through whom the purchases and settlements on account of the Open Offer would be made by the Acquirers. The contact details of the Buying Broker are as follows:

Name	Nikunj Stock Brokers Limited
Address	A-92, Gf, Left Portion, Kamla Nagar, New Delhi-110007.
Contact No.	011-47030000-01
Email Id	info@nikunjonline.com
Contact Person	Mr. Pramod Kumar Sultania

7.5 All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (“**Selling Broker**”), during the normal trading hours of the secondary market during the Tendering Period.

7.6 The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized equity shares only.

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

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

7.9 Procedure for Equity Shares held in physical form:

7.9.1 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 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 issued by SEBI Shareholders holding securities in physical form are allowed to tender shares in Open Offer through Tender Offer route. However, such tendering shall be as per the provisions of respective regulations.

7.9.2 Public Shareholders who are holding physical Equity Shares and intend to participate in the Open Offer shall approach Selling Broker. 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.

7.9.3 After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein the along with the complete set of documents for verification procedures to be carried out (a) original share certificate(s), (b) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company, (c) self-attested copy of the shareholder’s PAN Card, and (d) TRS, any other

relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable 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 superscripted as “MIFL 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

- 7.9.4 In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- 7.9.5 Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open 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
- 7.9.6 Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 7.9.7 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
- a. Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
 - b. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
 - c. No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance.

7.10 Procedure for Equity Shares held in Demat Form:

- 7.10.1 The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker, indicating details of Shares they wish to tender in Open Offer.
- 7.10.2 The Selling Broker shall provide early pay-in of demat shares (except for Custodian Participant orders) to the Clearing Corporation before placing the bids / orders and the same shall be validated at the time of order entry.
- 7.10.3 For Custodian Participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 7.10.4 The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation, before the opening of the Offer.
- 7.10.5 Upon placing the bid, the Seller member(s) shall provide Transaction Registration Slip (“TRS”) generated by the Exchange Bidding System to the shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Equity Shares tendered etc.
- 7.10.6 The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

8. ACCEPTANCE OF SHARES

- 8.1 Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 8.2 In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.
- 8.3 The Acquirers hereby undertakes to comply with the provisions of SEBI circular no. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020 and SEBI circular no. SEBI/HO//CFD/DCR2/CIR/P/2020/139 dated July 27, 2020 in relation to procedural matters relating to takeovers, including in relation to dispatch of the **Letter of Offer** to the Public Shareholders.

9. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF THE LETTER OF OFFER

- 9.1 Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 9.2 A Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in the Letter of Offer.
- 9.3 The Letter of Offer along with acceptance form will be dispatched to all the eligible shareholders of the Target Company, as appearing in the list of members of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the website of SEBI (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.
- 9.4 The Letter of Offer along with the Form of Acceptance would also be available at website of SEBI, www.sebi.gov.in and shareholders can also apply by downloading such forms from the said website.
- 9.5 Alternatively, in case of non-receipt of the Letter of Offer, the Eligible Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents as mentioned in paragraph 8. Such Eligible Public Shareholders have to ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

10. SETTLEMENT PROCESS

- 10.1 On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.
- 10.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.
- 10.3 The direct credit of shares shall be given to the demat account of the Acquirers indicated by the Acquirers Buying Broker. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 10.4 For the same, the existing facility of client direct payout in the capital market segment shall be available.
- 10.5 Buying Broker would also issue a contract note to the Acquirers for the Equity Shares accepted under the Offer.
- 10.6 Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the Buying Broker's pool account.

- 10.7 In case of partial or non-acceptance of orders or excess pay-in, Demat Shares shall be released to the securities pool account of the Selling Broker(s) / Custodian, post which, the Seller Broker(s) would then issue contract note for the shares accepted and return the balance shares to the Shareholders.

11. SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION

11.1 For Equity Shareholders holding Equity Shares in demat:

- 11.1.1 The settlements of fund obligation for demat shares shall be effected by clearing corporation. For the equity shares accepted under the open offer, the payment will be made by the Clearing Corporation to the shareholders directly to their bank account.
- 11.1.2 The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Public Shareholders will receive funds payout in their settlement bank account.
- 11.1.3 The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder.
- 11.1.4 Shareholders who intends to participate in the Offer should consult their respective Seller Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Broker upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 11.1.5 In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18(11) of the SEBI SAST Regulations) grant an extension of time to the Acquirers pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.

12. NOTE ON TAXATION

- 12.1 The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Act. A person who is treated as a non-resident for 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 accrue 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". 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 the Income Tax Act, 1961 ("IT Act").
- 12.2 Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). 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. Any applicable surcharge and education cess would be in addition to such applicable tax rates.
- 12.3 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 relevant 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.
- 12.4 Taxability of Capital Gain in the hands of the Public Shareholders:**
- 12.3.1 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 STT upon both acquisition 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 calculated on gains exceeding INR 100,000 (Indian 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 transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

- 12.3.2 As per section 111A of the 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).
- 12.3.3 Any applicable surcharge and education cess would be in addition to above applicable rates.
- 12.3.4 In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirers shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. However, 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 dealer's/ tax advisors appropriately.
- 12.3.5 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.
- 12.3.6 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.

12.5 THE ABOVE DISCLOSURE 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 THE EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS AND PAC AND THE MANAGER TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.

13. DOCUMENTS FOR INSPECTION:

- 13.1 Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, CapitalSquare Advisors Private Limited 208, 2nd Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai 400 093, Maharashtra, India on any working day between 10.00 a.m. and 5.00 p.m. during the period the Offer is open i.e., from September 29, 2021 to October 12, 2021.
- 13.2 Memorandum and Articles of Association and Certificate of Incorporation of Mangalam Industrial Finance Limited.
- 13.3 Memorandum of Understanding between Manager to Offer i.e. CapitalSquare Advisors Private Limited and the Acquirers.
- 13.4 Memorandum of Understanding between Registrar to the offer i.e Purva Sharegistry (India) Private Limited and the Acquirers
- 13.5 Chartered Accountant Rutvij Vyas bearing membership number '109191', partner at M/s VCA & Associates (Chartered Accountants) bearing firm registration number '114414W' having their office located at 503, Sterling Center, Beside Center Point, R.C. Dutt Road, Vadodara – 390007, Gujarat, India and head office at 402, Capri House, B/H. Express Hotel, Alkapuri, Vadodara – 390007, Gujarat, India with contact details being '0265-2325561, +91-9825124489', Email Address being 'vca.rutvij@gmail.com' and Website being 'www.vca-ca.com', have vide

certificate dated August 02, 2021 stated that sufficient resources are available with the Acquirer 1 for fulfilling the Open Offer obligations in full;.

- 13.6 Chartered Accountant Joseph Lal bearing membership number '226995', partner at Josephlal Associates (Chartered Accountants) bearing Firm Registration Number '014248S' having their office located at Flamon Complex, IIIrd Floor, Kuriachira - 680006, Thrissur, Kerala with contact details being '+91-9400499177, 0487- 7960040' and Email Address being 'cjosephlal@gmail.com, josephlalassociates@gmail.com' have vide certificate dated August 02, 2021 stated that sufficient resources are available with the Acquirer 2 for fulfilling the Open Offer obligations in full
- 13.7 Chartered Accountant Prasanna Adiga bearing membership number '227199', proprietor at Prasanna Adiga (Chartered Accountants) having their office located at 370/60, 1st Floor, 50 Ft. Road, 9th Main, Hanumanth Nagar, Bengaluru-560019, Karnataka, India with contact details being '+91-9901185679, +91-8150025252' and Email Address being 'caprasanna.adiga@gmail.com' have vide certificate dated August 02, 2021 stated that sufficient resources are available with the Acquirer 3 for fulfilling the Open Offer obligations in full;
- 13.8 Chartered Accountant Bhavesh Rathod, Proprietor of M/s Bhavesh Rathod & Co. Chartered Accountants, (Firm Registration No.1402046W), having their office at A/101, Shelter CHSL, CSC Road, Dahisar (East), Mumbai – 400 068, Maharashtra, India, Tel: +91 9769113490, E-mail: info@cabhavesh@gmail.com vide valuation certificate dated Tuesday, June 16, 2021, calculated the fair value of the Equity Shares of Target Company as Re.0.33/- (Thirty-Three Paise Only) per Equity Share.
- 13.9 Annual Reports for the last three financial years ended, March 31, 2021; March 31, 2020 and March 31, 2019 of Mangalam Industrial Finance Limited
- 13.10 Bank Statement received from, ICICI Bank Limited for required amount kept in the escrow account and marked lien in favour of Manager to Offer.
- 13.11 Copy of the Public Announcement dated August 04, 2021 and publication of the Detailed Public Statement dated August 09, 2021
- 13.12 Copy of the recommendations dated [●] made by the Committee of Independent Directors of the Target Company.
- 13.13 Copy of SEBI Observation letter no. [●] dated [●].
- 13.14 Escrow Agreement between Acquirers, ICICI Bank Limited and Manager to the Offer

14. DECLARATION BY THE ACQUIRERS:

For the purpose of disclosures in this Draft Letter of Offer relating to the Target Company the Acquirers have relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers accepts full responsibility for the information contained in this Draft Letter of Offer and also accepts responsibility for the obligations of the Acquirers as laid down in the Takeover Regulations. The Acquirers shall be responsible for ensuring compliance with the Takeover Regulations.

On Behalf of the Acquirers

Yatin Gupte
Sd/-

Place: Mumbai
Date: Wednesday, August 11, 2021