

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

OPEN OFFER (“OFFER”)

This Offer is being made pursuant to **Regulation 3(1) and 4** of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**the SEBI (SAST) Regulations**”) for the acquisition of **2,10,83,400** fully paid-up equity shares of Rs. 10/- each (“**the Equity Shares**”), representing **26%** of the Diluted Share and Voting Capital (“**the Offer Size**”) at a price of **Rs. 16/-** (Rupees Sixteen Only) per Equity Share (“**the Offer Price**”) payable in **Cash**

BY

MR. BUPINDER SINGH CHADHA (“ACQUIRER-1”)

Residential Address: Flat No. 5, Second Floor, 10 Vista, Magrath Road, Ashok Nagar, Bengaluru– 560025, Karnataka, India

Contact No.: +91 98111 57570; **Email:** bhupindersingh.chadha@gmail.com

MR. CHARNJIT SINGH CHADHA (“ACQUIRER-2”)

Residential Address: No.11, Magrath Road, Ashok Nagar, Bengaluru– 560025, Karnataka, India

Contact No.: +91 98450 00082; **Email:** tandoor.cschadha@gmail.com

MR. ABHIJIT SHAH (“PAC”)

Residential Address: Flat 1803, 393 Emirates Hill 1st, Premise Number: 393160262, Premise Number – Residential Flat, PO Box: 4296, Abu Dhabi, UAE

Contact No.: +97 15566 58299; **Email:** alwaysabhiz@gmail.com

TO THE EQUITY SHAREHOLDERS OF INDIAN BRIGHT STEEL CO LIMITED (“TARGET COMPANY”)

CIN: L13209MH1960PLC011794

Registered Office: Aurum Platz, Pandita Ramabai Marg, B.N. Cross Lane, Mumbai, 400007 Maharashtra, India.

Tel. No. +91 22-30001700, **Email:** indianbrightsteel@gmail.com ; **Web:** www.indianbrightsteel.com

ATTENTION

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 SYSTEMATIX GROUP Investments Re-defined	
SYSTEMATIX CORPORATE SERVICES LIMITED The Capital, A Wing, 603-606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. Telephone: +91 22 6704 8000 Fax: +91 22 6704 8022 E-mail: ecm@systematixgroup.in Website: www.systematixgroup.in Contact Person: Jinal Sanghvi/ Rahul Sharma SEBI Registration Number: INM000004224	BIGSHARE SERVICES PRIVATE LIMITED S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra India Telephone: +91 22 6263 8200 Fax: +91 22 6263 8299 E-mail: openoffer@bigshareonline.com Website: www.bigshareonline.com Contact Person: Maruti Eate SEBI Registration No.: INR000001385
OFFER / TENDERING PERIOD (“TP”)	
STARTS ON: TUESDAY, JANUARY 16, 2024	CLOSES ON: TUESDAY, JANUARY 30, 2024

SCHEDULE OF ACTIVITIES

Activity	Day and Date [#]
Date of the Public Announcement (PA)	Wednesday, November 22, 2023
Date of publication of DPS in newspapers	Thursday, November 30, 2023
Last date of filing Draft Letter of Offer (DLOF) with SEBI	Thursday, December 07, 2023
Last date for a Competitive Bid / Offer	Thursday, December 21, 2023
Identified Date*	Tuesday, January 02, 2024
Last date for dispatch of the Letter of Offer to the Public Shareholders	Tuesday, January 09, 2024
Last date for public announcement by the Independent Directors committee of the Target Company on the Offer	Wednesday, January 10, 2024
Last date for upward revision of the Offer Price or any increase in the Offer Size	Monday, January 15, 2024
Offer Opening Public Announcement (Pre-Offer PA)	Monday, January 15, 2024
Date of Opening of the Tendering Period (TP) / Offer	Tuesday, January 16, 2024
Date of Closure of the Tendering Period (TP) / Offer	Tuesday, January 30, 2024
Last date for communicating the rejection /acceptance; Completion of payment of consideration or refund to the shareholders	Thursday, February 08, 2024
Last date for release of Post-Offer Public Announcement (Post-Offer PA)	Wednesday, February 21, 2024
Submission of Final Report by the Manager to the Offer with SEBI	Wednesday, February 21, 2024

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

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

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RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION, THE PROPOSED OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRERS AND THE PAC

The risk factors set forth below are limited to this Open Offer, the Underlying Transactions contemplated under the SPA, the Acquirers, and the PAC, and are not in relation to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of all the risks involved in participation by Public Shareholders in this Open Offer, or in association with the Acquirers and the PAC, but are merely indicative in nature. Public Shareholders are advised to consult their stockbrokers, legal advisors, investment consultants and/or tax advisors, for understanding and analysing all risks associated with participation in this Open Offer.

A. RISK IN RELATION WITH THE OFFER

1. As of date of this Draft Letter of Offer, to the best of the knowledge of the Acquirers and the PAC, there are no statutory approvals required by the Acquirers and the PAC to complete this Offer. In the event that:
 - a. any statutory approvals are required by the Acquirers and the PAC at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirers and the PAC shall make the necessary applications for such approvals and in case such approvals are not received in time;
 - b. there is any order of a governmental authority or a litigation leading to a stay or injunction on the Offer or that restricts or restrains the Acquirers and the PAC from performing its obligations hereunder; or
 - c. the SEBI instructs the Acquirers and the PAC not to proceed with the Offer,

then the Offer process may be withdrawn or delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Eligible Equity Shareholders whose Equity Shares have been accepted in this Offer as well as return of the Equity Shares not accepted by the Acquirers and the PAC may be delayed.

In case the delay is due to non-receipt of statutory approval(s), as may be required at a later date, then in accordance with regulation 18(11) of the SEBI (SAST) Regulations, the SEBI may, if satisfied that non-receipt of approvals was not due to any wilful default, failure or negligence on the part of the Acquirers and the PAC in diligently pursuing such approval, grant an extension for the purpose of completion of the Offer subject to the Acquirers and the PAC agreeing to pay interest to the validly tendering Eligible Equity Shareholders at such rate as may be specified by the SEBI. Provided where the statutory approvals extend to some but not all the Eligible Equity Shareholders, the Acquirers and the PAC will have the option to make payment of the consideration to such Eligible Equity Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirers and the PAC will have the right not to proceed with this Offer in the event any statutory approval, as may be required, is refused.

2. The Acquirers and the PAC will not proceed with the Offer in the event statutory or other approvals, if any are required, are refused in terms of Regulation 23(1) of SEBI (SAST) Regulations. In the event of a withdrawal of the Offer, the Acquirers and the PAC (through the Manager to the Offer) shall, within 2 (two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
3. All Eligible Equity Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Equity Shares in the Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares in the Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserves the right to reject such Equity Shares tendered in the Offer. If the Equity Shares are held under general permission of the RBI, then the non-resident Eligible Equity Shareholder must state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable or non-repatriable basis.

4. In the event of any litigation leading to a stay on this Offer by a court of competent jurisdiction, or the SEBI instructing that this Offer should not proceed, then this Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated on page 02 of this Draft Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Equity Shares are validly accepted in this Offer as well as the return of the Equity Shares not validly accepted in this Offer by the Acquirer, may be delayed.
5. The Equity Shares, once tendered through the Form of Acceptance in the Offer, cannot be withdrawn by the Eligible Equity Shareholder during the Tendering Period, even if the acceptance of the Equity Shares in this Offer and, or, dispatch of consideration are delayed.
6. The Eligible Equity Shareholders may tender their Equity Shares in this Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. The Acquirers and the PAC has up to 10 Working Days, or such extended period as may be permitted by the SEBI, from the date of closure of the Tendering Period to pay the consideration to the Eligible Equity Shareholders whose Equity Shares are accepted in this Offer.
7. The Equity Shares tendered in the Offer will be held in trust by the Clearing Corporation (as defined below), on behalf of the Eligible Equity Shareholders who have tendered their Equity Shares, till the completion of the formalities of this Offer, and the Eligible Equity Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares held in trust by the Clearing Corporation during such period, even if the acceptance of the Equity Shares in this Offer and, or dispatch of payment consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares and the Eligible Equity Shareholder will not be able to trade in such Equity Shares which are in the custody of the Clearing Corporation, thereby restricting the ability of such Eligible Equity Shareholders to take advantage of any favourable price movements. Accordingly, the Acquirers and the PAC makes no assurance with respect to the market price of the Equity Shares before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by the Eligible Equity Shareholders on whether or not to participate in this Offer.
8. The Acquirers, the PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement ("PA"), the DPS, this Draft Letter of Offer or the Letter of Offer or in any advertisement or any materials issued by or at the instance of the Acquirers and the PAC. Any persons placing reliance on any other source of information will be doing so at their own risk. Further, the Acquirers, the PAC and the Manager to the Offer does not accept responsibility with respect to the information contained in the PA, the DPS, or this Draft Letter of Offer or the Letter of Offer that pertains to the Target Company and/or, the Sellers which have been provided by the Target Company, the Seller or taken from publicly available sources and have not independently verified the accuracy of such information.
9. The information contained in this DLOF is as of the date of this DLOF unless expressly stated otherwise. The Acquirers, the PAC and the Manager to the Offer are under no obligation to update the information contained herein at any time after the date of this DLOF.
10. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe the applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers and the PAC or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrument from within the United States of America.
11. The Eligible Shareholders are advised to consult their respective stockbroker, legal, financial, investment or other advisors and consultants of their choosing, if any, for assessing further risks with respect to their participation in this Open Offer, and related transfer of Equity Shares of the Target Company to the Acquirer.
12. The Eligible Equity Shareholders are advised to consult their respective tax advisers for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the PAC and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
13. The Acquirers, the PAC and the Manager to the Offer make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Eligible Equity Shareholders on whether or not to participate in this Offer.

B. RISKS RELATING TO THE ACQUIRERS AND THE PAC

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

C. RISK IN THE TRANSACTION

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

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES

This DLOF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Readers of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

The Open Offer described in this DLOF is not being made to, nor will tender of shares be accepted from or on behalf of Public Shareholders in any jurisdiction in which such offer or invitation is not in compliance with applicable law or to any person to whom it is unlawful to make such offer or solicitation. Readers of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

CURRENCY OF PRESENTATION

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

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1. ABBREVIATIONS / DEFINITIONS

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

PARTICULARS	DETAILS / DEFINITIONS
Acquirer-1	Mr. Bupinder Singh Chadha.
Acquirer-2	Mr. Charnjit Singh Chadha.
Acquirers	Collectively, the Acquirer-1 and the Acquirer-2.
AOA	Articles of Association.
Azad Coach	Azad Coach Builders Private Limited.
BSE	BSE Limited, formerly known as Bombay Stock Exchange Limited.
Buying Broker	Rikhav Securities Limited.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identification Number.
Clearing Corporation or ICCL	Indian Clearing Corporation Limited.
Convertible Warrants / Warrants	A convertible financial instrument that gets converted into Equity Shares of the issuer company within 18 months from the date of allotment.
Companies Act	The Companies Act, 1956 or The Companies Act, 2013 as amended or modified from time to time.
Commencement of TP	January 16, 2023 i.e. Offer Opening Date.
Closure of the TP	January 30, 2023 i.e. Offer Closing Date.
Demat Holders	Shareholders of the Target Company who are holding their Equity Shares in dematerialized form.
Designated Stock Exchange	BSE Limited, formerly known as Bombay Stock Exchange Limited.
DIN	Director Identification Number.
Diluted Share and Voting Capital	Total voting equity share capital of the Target Company on a fully diluted basis as of the tenth (10th) working day from the closure of the Tendering Period of the Offer. The same has been calculated by adding proposed preferential issue in the current outstanding Equity Shares of the Target Company. In the instant case, the Diluted Share and Voting Capital of the Company is Rs. 81,09,00,000 divided into 8,10,90,000 Equity Shares of Rs. 10/- each including Warrants and each Warrant is convertible into one Equity Share of the Target Company.
DLOF	Draft Letter of Offer dated December 07, 2023.
DP	Depository Participant.
DPS	Detailed Public Statement dated November 29, 2023 issued by the Manager to the Offer, on behalf of the Acquirers and the PAC in relation to the Offer and published in Newspapers on Thursday, November 30, 2023 in accordance with Regulations 3(1) and 4 read with Regulations 13(4), 14(3) and 15(2) of the SEBI (SAST) Regulations.
Depositories	CDSL and NSDL.
DP Escrow Account	Opened with Escrow Agent for the purpose of keeping SS&SA shares, if allotted to the Acquirers during the Offer Period.
DP Escrow Agreement	DP Escrow Agreement dated December 06, 2023 entered amongst the Acquirers, DP Escrow Agent, Registrar to the Offer and Manager to the Offer.
Eligible Persons	All the Shareholders of the Target Company (registered and unregistered) who own the Equity Shares at any time prior to the closure of the TP except the Seller, the Acquires and the PAC and persons deemed to be acting in concert with the parties to the agreements).
Escrow Account	Opened for the purpose for keeping minimum escrow requirements.
Escrow Agent	IndusInd Bank Limited, PNA House, 4th Floor, Plot No 57 & 57/1, Road No 17, Near SRL, MIDC, Andheri East, Mumbai – 400093.
Escrow Agreement	Escrow Agreement dated November 22, 2023 between the Acquirers and the PAC, the Escrow Agent and Manager to the Offer.
EPS	Earnings Per Share = Profit after Tax / Total no. of outstanding equity shares.
Equity Share(s)	Fully Paid-up Equity Share(s) of Rs. 10/- each of the Target Company unless it is specified.
FEMA	Foreign Exchange Management Act, 1999.
FIIIs	Foreign Institutional Investors.
Form of Acceptance / FOA	The application-cum-acknowledgement form which is enclosed with this DLOF for accepting the Offer.
FY	Financial Year.
GIR	General Index Register.

HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
Identified Date	The date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the names of the Eligible Equity Shareholders of the Target Company to whom the Letter of Offer would be sent.
Income Tax Act / I.T.	Income Tax Act, 1961.
IFSC	Indian Financial System Code.
ISIN	International Securities Identification Number.
Letter of Offer / LOF	The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer, including the Form of Acceptance-cum-Acknowledgement, proposed to be sent to all the Eligible Equity Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.
Listing Agreement	Listing Agreement with the stock exchanges in India, as amended from time to time.
Listing Regulations	SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.
LLP	Limited Liability Partnership.
Manager to the Offer	Systematix Corporate Services Limited.
MICR	Magnetic Ink Character Recognition.
MOA	Memorandum of Association.
MPS	Minimum Public Shareholding as defined in SCRR, which is 25% in case of the Target Company.
NEFT	National Electronic Fund Transfer.
NRI(s)	Non-Resident Indian(s) and persons of Indian origin residing abroad.
No.	Number.
NA/N.A.	Not Applicable.
Negotiated Price	Rs. 14/- each for Sale Shares between the Acquirers and the Seller.
Newspapers	The detailed public statement in connection with the Offer, published on behalf of the Acquirers and the PAC on Thursday, November 30, 2023 in the following newspapers: (a) Financial Express (all editions); (b) Jansatta (all editions); and (c) Mumbai Lakshadeep (Mumbai edition).
NSDL	National Securities Depository Limited.
OCBs	Overseas Corporate Bodies.
Offer / Open Offer	Open offer being made by the Acquirers and the PAC to the Eligible Equity Shareholders of the Target Company to acquire up to 2,10,83,400 Equity Shares, representing 26% of the Diluted Share and Voting Capital, at a price of Rs. 16/- (Rupees Sixteen only) per Equity Share.
Offer Period	The period between the date on which the SPA was executed and the date on which the payment of consideration to the Eligible Equity Shareholder whose Equity Shares are validly accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be.
Offer Price	Rs.16/- (Rupees Sixteen only) for each fully paid-up equity share payable in cash to the shareholders of the Target Company.
Offer Size / Open Offer Equity Shares	Up to 2,10,83,400 Equity Shares of the face value of Rs. 10/- each representing 26% of the Diluted Share and Voting Capital of Target Company as of the tenth working day from the closure of the Tendering Period.
PAC	Mr. Abhijit Shah.
PAC / Persons Acting in Concert	Persons who, with a common objective or purpose of acquisition of equity shares or voting rights in, or exercising control over a Target Company.
PAN	Permanent Account Number.
Physical Holders	Shareholders of the Target Company who are holding Equity Shares in physical form.
Public Announcement / PA	The public announcement in connection with the Offer dated November 22, 2023 issued by the Manager to the Offer on behalf of the Acquirers and the PAC, in relation to this Offer and e-filed with the BSE and the Target Company and uploaded on SEBI's portal on Wednesday, November 22, 2023.
Preferential Issue / Proposed Preferential Issue	the proposed preferential issue as approved by the Board of Directors of the Target Company at their meeting held on November 22, 2023 subject to approval of the members and other regulatory approvals of 5,94,90,000 fully paid up Equity Shares of face value of Rs.10/- each at Rs. 16/- (Rupees Sixteen only) per Equity Share for 'Other than Cash' to the Acquirers and 'Cash' to Public and also 2,06,00,000 Warrants for 'Cash' to the Acquirers and to Public at a price of Rs. 16/- (Rupees Sixteen only) per Warrant. Each Warrant is convertible into equal number of Equity Shares of the Target Company. The Proposed Preferential Issue includes Equity Shares and Warrants aggregating to 8,00,90,000 Equity Shares of Rs. 10/- each.
Pre-Issue Share Capital	paid up Equity Share Capital of the Target Company prior to the proposed Preferential Issue i.e.; Rs.1,00,00,000 divided into 10,00,000 Equity Shares of Rs.10/- each.

Promoter / Promoter Group	Promoter or members of Promoter Group of the Target Company unless it is specified.
RBI	Reserve Bank of India.
Registered Valuer	FCA RV Payal Gada having IBBI Reg. No.: IBBI/RV/06/2019/11170, having office at S-15, Second Floor, Sej Plaza, Marve Road, Malad (West), Mumbai 400 064; Email – payal@payalgadaco.in; Tel. No. +91-22-2801 2075.
Registrar to the Offer	Bigshare Services Private Limited.
ROC	Registrar of Companies.
Rs. / Rupee(s) / INR	Indian Rupees, the legal currency of India.
RTGS	Real Time Gross Settlement.
SCRR	Securities Contract (Regulations) Rules, 1957.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended or modified from time to time.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 and subsequent amendments thereto.
Seller	M/s Aurum Parks Private Limited.
Settlement Date	The date on which bids/Equity Shares accepted in the Offer shall be squared-off on BSE.
Sl. No.	Serial Number.
SPA	the Share Purchase Agreement dated November 22, 2023, whereby 3,53,462 (Three Lakh Fifty-Three Thousand Four Hundred Sixty-Two) Equity Shares agreed to be acquired by the Acquirers at a price of Rs. 14/- (Rupees Fourteen only) per Equity Share aggregating to Rs. 49,48,468/- (Rupees Forty-Nine Lakh Forty-Eight Thousand Four Hundred Sixty-Eight only) from the Seller.
SPA Shares or Sale Shares	3,53,462 (Three Lakh Fifty-Three Thousand Four Hundred Sixty-Two) Equity Shares agreed to sell and purchase between the Seller and the Acquirers in terms of the SPA.
Stock Exchange	BSE Limited.
STT	Securities Transaction Tax.
Target Company/ IBSCL	Indian Bright Steel Co Limited.
Tendering Period / TP	Period of 10 working days within which Shareholders of Target Company may tender their equity shares in acceptance to the Offer.
TDS	Tax Deduction at Source.
TRC	Tax Residence Certificate.
TRS	Transaction Registration Slip.
Warrants	Convertible Warrants.
Working Day(s)	Working days of SEBI as defined in the SEBI (SAST) Regulations.

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

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2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DLOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DLOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF INDIAN BRIGHT STEEL CO LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, THE PAC OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DLOF. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DLOF, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, SYSTEMATIX CORPORATE SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 07, 2023, TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DLOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

General Disclaimer

This DLOF together with the PA dated November 22, 2023, and the DPS that was published on November 30, 2023, in connection with the Offer, has been prepared for the purposes of compliance with applicable laws and regulations of the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the delivery of this DLOF and/or the LOF, under any circumstances, create any implication that there has been no change in the affairs of the Target Company and/or the Acquirers and/or the PAC, since the date hereof or that the information contained herein is correct as at any time subsequent to this date, nor is it to be implied that the Acquirers or the PAC or any persons deemed to act in concert with them are under any obligations to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The LOF shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the LOF by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this DLOF and/or the LOF under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them, and shall be construed by them as being sent for information purposes only. Accordingly, no such Public Shareholder may tender his, her or its Equity Shares in this Offer in such jurisdiction.

Persons in possession of the PA, the DPS, this DLOF, and/or any other advertisement/publication made or delivered in connection with the Offer are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his, her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she, or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

3. DETAILS OF THE OFFER

3.1. BACKGROUND OF THE OFFER

- 3.1.1 This Offer is a “Mandatory Offer” under the Regulation 3(1) and 4 of the Takeover Regulations being made jointly by the Acquirers and the PAC to the equity shareholders of the Target Company for substantial acquisition of Equity Shares and Voting Rights accompanied with change in control of the Target Company.
- 3.1.2 Azad Coach and Acquirers in the capacity of Shareholders of the Azad Coach, have entered into a SS&SA, with the Target Company wherein it is agreed that the Acquirers will receive Consideration (other than cash) by way of preferential issue of Equity Shares of the Target Company against the fair market valuation of Azad Coach i.e. Rs. 50,16,70,000/-.
- 3.1.3 The Board of Directors of the Target Company in the meeting held on Wednesday, November 22, 2023, has subject to the approval of the Shareholders of the Target Company and other regulatory approvals, as applicable, agreed to issue and allot, on a preferential basis 3,13,54,375 (Three Crore Thirteen Lakhs Fifty Four Thousand Three Hundred and Seventy Five) Equity Shares representing 38.67% of the Diluted Share and Voting Capital of the Target Company in lieu of the consideration as mentioned in the SS&SA on preferential basis to the Acquirers. The Purchase Consideration of Rs. 50,16,70,000/- (Rupees Fifty Crore Sixteen Lakh and Seventy Thousand Only) in accordance with the SS&SA is based on the valuation report dated November 22, 2023 submitted by the Registered Valuer i.e. FCA RV Payal Gada, having IBBI Reg. No. IBBI/RV/06/2019/11170, having office at S-15, Second Floor, Sej Plaza, Marve Road, Malad (West), Mumbai 400 064; Email – payal@payalgadaco.in; Tel. No. +91-22-2801 2075 (“**Registered Valuer**”). The Acquirers are also subscribing to 81,00,000 (Eighty One Lakhs) Convertible Warrants (“**Warrants**”) for Cash representing 9.99% of the Diluted Share and Voting Capital of the Target Company in addition to the Subscription Shares.
- 3.1.4 Simultaneously, the Acquirers have entered into a SPA with the one of the current promoters of the Target Company namely Aurum Parks Private Limited (“**Seller**”) to acquire 3,53,462 (Three Lakh Fifty-Three Thousand Four Hundred Sixty-Two) Equity Shares or the SPA Shares at a price of Rs. 14/- each in compliance with the provisions of the SEBI (SAST) Regulations.
- 3.1.5 A tabular summary of the Underlying Transaction is set out below:

Details of Underlying Transaction						
Type of Transaction (Direct / Indirect)	Mode of Transaction (Agreement / Allotment / Market Purchase)	Shares / Voting rights acquired / proposed to be acquired		Total Consideration for shares / Voting Rights (VR) acquired	Mode of payment (Cash / Securities)	Regulations which has triggered
		Number	% vis-a-vis total diluted share and voting capital			
Direct Acquisition	SS&SA	3,13,54,375 Equity Shares ⁽¹⁾	38.67%	Rs.50,16,70,000/- (Rupees Fifty Crore Sixteen Lakh Seventy Thousand Only)	Other than Cash i.e. Equity Shares of the Target Company	Regulation 3(1) and 4 of SEBI (SAST) Regulations
Direct Acquisition	SPA	3,53,462 Equity Shares ⁽²⁾	0.44%	Rs. 49,48,468/- (Rupees Forty-Nine Lakh Forty-Eight Thousand Four Hundred Sixty-Eight only)	Cash	Regulation 3(1) and 4 of SEBI (SAST) Regulations

Note:

(1)- Includes 1,88,12,625 Equity Shares to Acquirer-1 and 1,25,41,750 Equity Shares to Acquirer-2 under SS&SA.

(2)- Includes 2,12,077 Equity shares to Acquirer-1 and 1,41,385 Equity Shares to Acquirer-2 under SPA.

3.1.6 Salient features of the SS&SA are as under:

- a. The SS&SA between Azad Coach, the Acquirers in the capacity of Shareholders of the Azad Coach and Target Company whereby the Target Company agreed to acquire entire shareholding of Azad Coach at an Equity valuation of Rs. 50,16,70,000/- (Rupees Fifty Crore Sixteen Lakh Seventy Thousand Only) for a consideration other than cash subject to the terms, conditions and provisions set out in the SS&SA.

- b. In consideration for acquisition of the Sale Shares at the Fair Market Valuation, the Target Company has agreed to issue 3,13,54,375 Equity Shares fully paid-up equity shares of Rs.10 each to the Acquirers on preferential issue basis (“**Subscription Shares**”), and the Acquirers have agreed to subscribe to those Equity Shares of the Target Company in accordance with the terms and conditions set out in the SS&SA.
- c. The Target Company will issue and allot the Subscription Shares to the Acquirers in compliance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“**SEBI (ICDR) Regulations**”).
- d. Azad Coach shall become 100% subsidiary of the Target Company on completion of the acquisition of Sale Shares by the Target Company. However, the Target Company has decided to give one share of the Target Company to one of the Acquirers namely, Mr. Bupinder Singh Chadha as Nominee of the Target Company.
- e. Azad Coach shall have to cancel all corporate guarantees provided by the Company for securing personal loans taken by the Acquirers or their family members within 15 (fifteen) days after the Completion date.
- f. After execution of the SS&SA, there shall be no change in the existing Board of Directors and its management of the Azad Coach without the approval of the Target Company.
- g. Pursuant to completion of allotment of shares by the Target Company to the Acquirers, the Acquirers will assume control over the Target Company and management and appoint their representative as part of Management. However, the Board of Directors and management of the target Company will be re-constituted by the Acquirers only after completion of Takeover obligations by the Acquirers as per the Takeover Regulations.
- h. Without the consent of the Target Company and or its board of directors no fresh infusion of capital or borrowings will be made by the Board of Directors of Azad Coach.
- i. In the event that Completion does not occur on or before the Long Stop Date i.e. March 31, 2024 or such other date as may be agreed by the parties in writing, either party can by service of written notice, terminate the Agreement and upon such termination, and neither Party shall have any claim against the other, subject to any accrued rights and obligations of the Parties prior to such termination.

3.1.7 The Salient features of the SPA are as under:

- a. The SPA sets forth the terms and conditions agreed between the Seller, the Acquirers, and their respective rights and obligations.
- b. The Acquirers shall acquire 3,53,462 Equity Shares of Rs. 10/- each of the Company, representing 35.35% of Pre-Issue Share Capital and 0.44% of the Diluted Share and Voting Capital of the Target Company.
- c. The Purchase Price for the Equity Shares shall be Rs. 14/- (Rupees Fourteen Only) per share and the total consideration amount shall be Rs. 49,48,468/- (Rupees Forty-Nine Lakhs Forty-Eight Thousand Four Hundred and Sixty-Eight only).
- d. Pursuant to the SPA, Acquirer-1 and Acquirer-2 shall acquire 2,12,077 and 1,41,385 Equity Shares respectively from the Seller.
- e. The SPA Shares are lying in the Demat Account of the Seller and free from any lock-in and encumbrances.
- f. As soon as permitted under Applicable Law, and in any event within a period of 4 (four) months from Completion, procure that the Board seeks approval of the shareholders of the Target Company to re-classify the Seller and other remaining existing Promoters from the category of ‘promoters / promoter group’ of the Target Company, and take such other actions as may be required in compliance with Regulation 31A of the Listing Regulations. The Acquirers shall exercise their voting rights for re-classification of the Seller and other remaining existing promoters from the category of ‘promoters / promoter group’ of the Target Company, in accordance with Regulation 31A of the Listing Regulations and ensure that Seller and other remaining existing promoters are re-classified from the category of ‘promoters / promoter group’ of the Target Company within an overall period of 6 months from Completion.
- g. The nominees of the Acquirers (details of whom shall be provided to the Promoters not later than 3 (three) days prior to the Share Sale Closing Date i.e. March 31, 2024) are appointed as directors on the Board of the Target Company.
- h. The resignations of the existing Directors shall be tendered and accepted so as to take effect from the Share Sale Closing Date i.e. March 31, 2024, and copies of existing Promoter Directors Letters shall be given or handed to the Acquirers.

- i. A Board Meeting to undertake and note the Sale Shares to the Acquirer's Demat Account and transfer deeds for the benefit of the Acquirers and the acknowledgment to the effect that with effect from the close of that Board meeting, (i) the Acquirers shall be identified as the promoter of the Target Company and shall be in-charge of management control over the Target Company; and (ii) the Seller shall ceased to be the Promoters of the Target Company after the sale or transfer of Sale Shares in terms hereof upon receipt of letter of intent for reclassification from Seller.
 - j. If Completion has not occurred on or prior to the Long Stop Date i.e. March 31, 2024 or such other date, as may be extended by the Seller in writing, either Party shall have the right, but not the obligation, to terminate this Agreement by serving a written notice to the other Party, upon the issuance of which this Agreement shall stand terminated with immediate effect.
- 3.1.8 By virtue of the above proposed acquisitions, the Acquirers will be holding substantial stake and will be in control over the Target Company. Accordingly, this Offer is being made in terms of Regulation 3(1) and Regulation 4 read with Regulation 13(2A)(i) and other applicable provisions of the SEBI (SAST) Regulations.
- 3.1.9 The Equity Shares proposed to be issued under the Proposed Preferential Issue, if allotted to the Acquirers, during the Offer Period, shall be kept in a separate 'DP Escrow Account' in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations. The Registrar to the Offer will have the right to operate the DP Escrow Account and the Acquirers will not exercise any voting rights over the said Equity Shares kept in the DP Escrow Account. Upon fulfillment of all the Offer related formalities, the said Equity Shares will be transferred to the respective DP accounts of the Acquirers and the DP Escrow Account will be closed thereafter.
- 3.1.10 The Equity Shares proposed to be credited to the Acquirers pursuant to SS&SA during the Offer Period shall be kept in a separate DP Escrow account which will be operated by Registrar to the Offer.
- 3.1.11 The Proposed change in control of the Target Company is not through any Scheme of Arrangement.
- 3.1.12 The Acquirers and the PAC reserve the right to nominate himself/themselves or someone representing them to be Director(s) on the Board of the Target Company during the Offer Period in accordance with SEBI (SAST) Regulations by depositing 100% of the Maximum Consideration payable under the Offer in the Cash Escrow Account as required under Regulation 24(1) of the SEBI (SAST) Regulations.
- 3.1.13 As per Regulation 26(6) and 26(7) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company are required to constitute a committee of Independent Directors to provide reasoned recommendation on the Offer to the Eligible Shareholders and such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS was published.

3.2. DETAILS OF THE PROPOSED OFFER

- 3.2.1. The Public Announcement in connection with the Offer was issued by the Manager to the Offer on behalf of the Acquirers and the PAC on Wednesday, November 22, 2023 and was e-filed with BSE and the Target Company. Simultaneously, the PA was also uploaded on the SEBI's portal on same day.
- 3.2.2. In terms of Regulation 13(4) of the SEBI (SAST) Regulations, the DPS dated November 29, 2023 was published on Thursday, November 30, 2023 i.e. within 5 (five) Working Days of the date of PA in the following newspapers:

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

^sWhere Equity Shares of the Target Company are listed and where Regd. Office of the Target Company is situated.

Simultaneously, in accordance with the provisions of Regulation 14(4) of the SEBI (SAST) Regulations, a copy of the DPS was e-filed by the Manager to the Offer with (i) SEBI; (ii) BSE and (iii) the Target Company on Thursday, November 30, 2023.

- 3.2.3. A copy of the PA and the DPS is also available on the website of the SEBI (www.sebi.gov.in).
- 3.2.4. The Acquirers and the PAC have made the Offer in accordance with the Regulation 3(1) and 4 of the SEBI (SAST) Regulations to all the Eligible Equity Shareholders of the Target Company for the acquisition of 2,10,83,400 Equity Shares representing 26% of the Diluted Share and Voting Capital of the Target Company in accordance with the provisions of the SEBI (SAST) Regulations and subject to the terms and conditions set out in

the DPS and the Letter of Offer which is proposed to be sent to all the Eligible Equity Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.

- 3.2.5. The Offer is being made at a price of Rs. 16/- (Rupees Sixteen only) per Equity Share and will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations. All Equity Shares accepted in the Open Offer shall be solely acquired by the PAC only.
- 3.2.6. As on the date of this Draft Letter of Offer, there are no partly paid-up Equity Shares in the Target Company.
- 3.2.7. As on the date of this Draft Letter of Offer, there are no outstanding convertible securities, depository receipts, warrants or instruments issued by the Target Company convertible into Equity Shares.
- 3.2.8. The Offer is being made to all the Shareholders of the Target Company except the seller, the Acquirers and the PAC and person deemed to be acting in concert with the parties to the Agreements. The Equity Shares of the Target Company under the Offer will be acquired by the PAC as fully paid-up, free from any lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- 3.2.9. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations and there is no competing offer as on the date of this DLOF.
- 3.2.10. This Offer is not conditional on any minimum level of acceptance by the Eligible Equity Shareholder. Further, there is no differential pricing for this Offer.
- 3.2.11. The Acquirers and the PAC have not acquired any Equity Shares of the Target Company after the date of PA.
- 3.2.12. The Acquirers and the PAC undertake that they will not tender any Equity Shares in this Offer.
- 3.2.13. The Acquirers and the PAC undertake not to sell the Equity Shares of the Target Company held by them during the "Offer Period" in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 3.2.14. The Manager to the Offer does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer and as on the date of this DLOF. The Manager to the Offer further declares and undertakes that it shall not deal in the Equity Shares of the Target Company during the period commencing from the date of its appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.
- 3.2.15. As per Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25% (twenty-five percent) public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. If as a result of acquisition of Equity Shares pursuant to the SS&SA, SPA, Preferential Issue and/or the Open Offer, the public shareholding in the Target Company falls below the minimum public shareholding requirement as per SCRR, and the SEBI (LODR) Regulations, then the Seller have agreed to take necessary steps to bring down the promoters and promoter group shareholding in the Target Company to the level specified, and within the time prescribed, under applicable law, in a manner acceptable to the Acquirers and the PAC.

3.3. OBJECT OF THE ACQUISITION / OFFER

- 3.3.1. This Offer is being made to the public shareholders of Target Company pursuant to and in compliance with regulation 3(1) and 4 of the SEBI (SAST) Regulations.
- 3.3.2. The Acquirers and the PAC shall achieve substantial acquisition of Diluted Shares and Voting Capital, accompanied with effective management control over the Target Company after completion of the proposed Open Offer. The main object of this acquisition is to acquire substantial stake and management control of the Target Company in compliance with the SEBI (SAST) Regulations.
- 3.3.3. The Acquirers and the PAC intend to seek the change of the name and main objects of the Target Company subject to necessary approvals. The Acquirers and the PAC intend to carry on in India or abroad the business of manufacturing, assembling, fabricating, trading, distributing, exporting, importing, exchanging and dealing in all types of electric vehicles and to run, operate, manage, lease and franchise outlets, shops and showroom to sell, buy, trade, export, import, service, repair, maintain and exchange electric vehicles of all types and descriptions in India and rest of the world.
- 3.3.4. The Acquirers and the PAC also intend to seek reconstitution of Board of Directors of the Target Company after successful completion of this Offer. However, no firm decision in this regard has been taken or proposed so far.
- 3.3.5. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirers and PAC do not have any intention to alienate, restructure, dispose of or otherwise encumber any assets of Target Company in the succeeding two

years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company. Notwithstanding anything contained herein and except with the prior approval of the shareholders of Target Company through a special resolution, passed by way of postal ballot, the Acquirers and the PAC undertake that it will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of Target Company other than in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company.

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4. BACKGROUND OF THE ACQUIRERS AND THE PAC

4.1. Mr. Bupinder Singh Chadha (“Acquirer-1”)

- 4.1.1 Mr. Bupinder Singh Chadha S/o Gurbachan Singh Chadha a 75-year-old Resident Indian residing at Flat No. 5, Second Floor, 10 Vista, Magrath Road, Ashok Nagar, Bengaluru – 560025, Karnataka, India Tel. No. +91 98111 57570; Email: bhupindersingh.chadha@gmail.com
- 4.1.2 Acquirer-1 has not changed / altered his name at any point of time during his life.
- 4.1.3 Acquirer-1 carries a valid passport of Republic of India and holds a Permanent Account Number (“PAN”) in India. Acquirer-1 holds a degree in Bachelor of Arts from Delhi University and has been associated in the fields of Bus Body Building business for more than four decades. Acquirer-1 does not belong to any group.
- 4.1.4 Acquirer -1 and PAC have entered into a Memorandum of Understanding (“MOU”) dated July 20, 2023, where PAC has expressed his interest in investing his own funds and arranging funds from other sources for expansion projects of Azad Coach and will also assist in opening overseas offices/ Sales office cum showrooms for Azad Coach in the Middle east.
- 4.1.5 Acquirer-1 holds directorship in the following companies and neither these companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are ‘sick company’ within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor are under winding up:

Name of the Entity	CIN
Azad Coach Builders Private Limited	U50101RJ1980PTC002023
Azad Evergreen EV Private Limited	U34201DL2020PTC364017
Azad Automotive Services Private Limited	U50404KA2004PTC033588
Azad Mobility Private Limited	U45101DL2023PTC417603
Green Drive Solutions Private Limited	U35990DL2012PTC245692
Jewel (India) Hotels Private Limited	U55101RJ1982PTC002538
Jewels Hospitality Private Limited	U55209DL2008PTC184877
NAE Mobility Private Limited	U34300KA2022PTC165470
Vectra Sogclair Technologies India Private Limited	U40105KA2004PTC033135

- 4.1.6 Acquirer-1 does not hold any Equity Shares of the Target Company as on date of this DLOF. However, Acquirer-1 is going to acquire 1,88,12,625 Equity Shares and 48,60,000 Warrants in the Preferential Issue of the Target Company. Further acquirer-1 is going to acquire 2,12,077 Equity Shares through SPA.
- 4.1.7 C.A. Alok Gupta (Membership No. 082112), Proprietor of Alok Gupta & Associates, Chartered Accountants (Firm Registration No. 003498N), having their office located at Flat No. 15, Kaushalya Bldg. 4380/4B, Ansari Road, Darya Ganj, New Delhi – 110002, India Tel. No. 011-4350 4236; Email: agassociate.ca@gmail.com /aaug106@gmail.com, has certified vide certificate dated November 15, 2023 that the liquid net worth of Acquirer-1 as on November 15, 2023 is Rs. 7,89,34,162/- (Rupees Seven Crore Eighty-Nine Lakh Thirty-Four Thousand One Hundred Sixty-Two only).
- 4.1.8 Except the Transaction contemplated in SS&SA and SPA (detailed in Background of the offer) and subscription of convertible warrants of the target company that has triggered the Open Offer, Acquirer-1 does not have any other relationship/interest in the Target Company.

4.2. Mr. Charnjit Singh Chadha (“Acquirer-2”)

- 4.2.1. Mr. Charnjit Singh Chadha S/o Gurbachan Singh Chadha a 63 year-old Resident Indian residing at No. 11, Magrath Road, Ashok Nagar, Bengaluru– 560025, Karnataka, India Tel. No. +91 98450 00082; Email: tandoor.cschadha@gmail.com.
- 4.2.2. Acquirer-2 has not changed / altered his name at any point of time during his life.
- 4.2.3. Acquirer-2 carries a valid passport of Republic of India and holds a PAN in India. Acquirer-2 holds a degree in Bachelor of Arts (Honours) in History from Delhi University and has been associated in the fields of Bus Body Building business for more than four decades. Acquirer-2 does not belong to any group.
- 4.2.4. Acquirer-2 holds directorship in the following companies and neither these companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are ‘sick company’ within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor are under winding up:

Name of the entity	CIN
Green Drive Solutions Private Limited	U35990DL2012PTC245692
Azad Coach Builders Private Limited	U50101RJ1980PTC002023
NAE Mobility Private Limited	U34300KA2022PTC165470

- 4.2.5. Acquirer-2 does not hold any Equity Shares of the Target Company as on date of this DLOF. However, Acquirer-2 is going to acquire 1,25,41,750 Equity Shares and 32,40,000 Convertible Warrants in the Preferential Issue of the Target Company. Further acquirer-2 is going to acquire 1,41,385 Equity Shares through SPA.
- 4.2.6. C.A. Alok Gupta (Membership No. 082112), Proprietor of Alok Gupta & Associates, Chartered Accountants (Firm Registration No. 003498N), having their office located at Flat No. 15, Kaushalya Bldg. 4380/4B, Ansari Road, Darya Ganj, New Delhi – 11000, India, Tel. No. 011-4350 4236; Email: agassociate.ca@gmail.com /aag106@gmail.com, has certified vide certificate dated November 15, 2023 that the liquid net worth of Acquirer-2 as on November 15, 2023 is Rs. 3,49,73,407/- (Rupees Three Crore Forty-Nine Lakh Seventy-Three Thousand Four Hundred Seven only).
- 4.2.7. Except the Transaction contemplated in SS&SA and SPA (detailed in Background of the offer) and subscription of convertible warrants of the target company that has triggered the Open Offer, Acquirer-2 does not have any other relationship/interest in the Target Company.

4.3. Mr. Abhijit Shah (“PAC”)

- 4.3.1 Mr. Abhijit Shah S/o Mr. Pankaj Shah is a 42 year old Non-Resident Indian resides at Flat 1803, 393 Emirates Hill 1st, Premise Number: 393160262, Premise Number – Residential Flat, PO Box: 4296, Abu Dhabi, UAE, Tel. No. +97 15566 58299; Email: alwaysabhiz@gmail.com.
- 4.3.2 PAC has not changed / altered his name at any point of time during his life.
- 4.3.3 PAC carries a valid passport of Republic of India and holds a PAN in India. PAC holds a degree in Bachelor of Commerce from University of Pune and Diploma in International Business from Symbiosis Institute of International Business, Pune and has been associated in the field of Banking & Finance for more than one decade. PAC does not belong to any group.
- 4.3.4 PAC hold directorship in any Resident Company in India.
- 4.3.5 PAC does not hold any Equity Shares of the Target Company as on date of this DLOF. However, PAC is contemplating to acquire the Open Offer Shares.
- 4.3.6 C.A. Kamlesh B Mehta (Membership No. 36323), Proprietor of Kamlesh B Mehta & Co., Chartered Accountants (Firm Registration No. 104676M), having their office located at 58, Shree Krishna Nivas, 4th Floor, 496, Kalba Devi Road, Mumbai – 400 002, Maharashtra, India Tel. No. 022-201 59 51/ 205 67 14 has certified vide certificate dated November 10, 2023 that the liquid net worth of the PAC as on November 09, 2023 is Rs. 26,61,39,500/- (Rupees Twenty-Six Crore Sixty One Lakh Thirty Nine Thousand Five Hundred only).
- 4.3.7 Except subscription to Open Offer Shares, PAC do not have any other relationship/interest in the Target Company.

4.4. Other common Confirmation by the Acquirers and the PAC

- 4.4.1. Neither the Acquirers nor the PAC nor any of the entities with which they are associated with, are in securities related business and registered with SEBI as a ‘Market Intermediary’.
- 4.4.2. The Acquirers and the PAC have not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.
- 4.4.3. The Acquirers and the PAC have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of SEBI Act or under any other regulations made under the SEBI Act.
- 4.4.4. Based on the information available, the Acquirers and the PAC have not been declared as fugitive economic offenders under section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) as per Regulation 2(1) (ja) of SEBI (SAST) Regulations.
- 4.4.5. The Acquirers and the PAC undertake that if they acquire any Equity Shares of the Target Company during the Offer Period, they will inform to the Stock Exchange and the Target Company within 24 hours of such acquisitions and they will not acquire any Equity Shares of the Target Company during the period between three

working days prior to the commencement of the TP and until the closure of the TP in accordance with Regulation 18(6) of SEBI (SAST) Regulations.

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

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5. INFORMATION ABOUT THE SELLER

5.1 The details of the Seller under the SPA is set out below:

Name of the Seller	Changes in the name in the past	Nature of Entity/ Individual	Registered Office/ Residential Address	Whether Seller is a part of the promoter group of the Target Company	Name of the stock exchange in India or abroad where listed (if applicable)	Shares or voting rights held in the Target Company			
						Pre - Transaction		Post Transaction	
						Number of Equity Shares	% Diluted Voting Share Capital	Number of Equity Shares	% Diluted Voting Share Capital
M/s Aurum Parks Private Limited	Vitesse Telecom Private Limited	Body Corporate	Aurum House, Plot No. Gen 4/1, TTC Industrial Area, Thane Belapur Road, Ghansoli - 400710, Navi Mumbai, District Thane, Maharashtra, India	Yes	Not Applicable	3,53,462	0.44%	Nil	Nil

5.2 The Seller does not belong to any Group.

5.3 In terms of the SPA, Seller has agreed to sell its entire shareholding to the Acquirers. Pursuant to consummation of the Underlying Transaction, the Acquirers will control over the Target Company and the Acquirers will become the promoters of the Target Company, including in accordance with the provisions of SEBI (LODR) Regulations, and the Seller will cease to be part of the “promoter and promoter group” of the Target Company. Post completion of the Open Offer the Seller and other members of the existing promoter and promoter group will be de-classified from the “promoter and promoter group” category of the Target Company to public subject to receipt of necessary approvals required in terms of the SEBI (LODR) Regulations and satisfaction of the conditions prescribed therein.

5.4 Seller has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 and subsequent amendments thereto or under any other regulations made under the SEBI Act, 1992.

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6. BACKGROUND OF THE TARGET COMPANY - INDIAN BRIGHT STEEL CO LIMITED

- 6.1. Indian Bright Steel Co Limited incorporated under the Companies Act, 1956 on August 25, 1960 vide Certificate of Incorporation No. 11794 of 1960-61 dated August 25, 1960 issued by Registrar of Companies, Maharashtra. The Corporate Identification Number of the Target Company is L13209MH1960PLC011794.
- 6.2. Presently, the Registered Office of the Target Company is situated at Aurum Platz, Pandita Ramabai Marg, B.N. Cross Lane, Mumbai – 400007, Maharashtra, India, Tel. No. 022-30001700 / 61919700; Email: indianbrightsteel@gmail.com, Web: www.indianbrightsteel.com
- 6.3. The Target Company is engaged in the business of manufacturing & trading of steel and allied products in India.
- 6.4. The Equity Shares (ISIN: INE566M01017) of the Target Company is presently listed and traded on the BSE with Scrip Code as 504731 and Symbol as IBRIGST.
- 6.5. The total Issued, Subscribed and Paid-up Equity Share Capital of the Target Company is Rs. 1,00,00,000 (Rupees One Crore Only) comprising of 10,00,000 Equity Shares of Rs. 10/- each fully paid up. There are no partly paid-up shares in the Target Company.
- 6.6. The Existing Share Capital structure of the Target Company as on the date of this DLOF, is as follows:

Paid-up Equity Shares of Target Company	No. of Equity Shares/voting rights	% of Equity Shares/ voting rights
Fully paid-up Equity Shares	10,00,000	100%
Partly paid-up Equity Shares	Nil	Nil
Total paid-up Equity Shares	10,00,000	100%
Total voting rights in Target Company	10,00,000	100%

- 6.7. As of the date of this DLOF, there are no: (a) partly paid-up Equity Shares; and/or (b) outstanding convertible securities except Convertible Warrants that are proposed to be issued by the Target Company in the Proposed Preferential Issue and that shall be converted into Equity Shares on later date.
- 6.8. The Equity Shares of the Target Company are infrequently traded within meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 6.9. The entire issued, subscribed and paid up share capital of the Target Company is listed on the Stock Exchange. There are no outstanding shares of the Target Company that have been issued but not listed on the Stock Exchange. The trading of the Equity Shares of the Target Company is currently not suspended on Stock Exchange. The Equity Shares of the Target Company have not been delisted from any stock exchange in India.
- 6.10. As on the date of this DLOF, the following are on the board of the Target Company:

Sr. No.	Name	DIN	Address	Designation	Date of appointment
1)	Avinash Jajodia	00074886	'The Retreat' 3, Pochkhanwala Road, Worli, Mumbai- 400 030	Director	November 26, 1994
2)	Vipul Desai	02074877	Flat A-77, Juhu Chandan, Vidyanidhi Complex, 5th North South Rd, JVPD Scheme, Vile Parle (W), Mumbai	Independent Director	November 22, 2022
3)	Minoo Deora	01656963	15th floor, Suraj Apt, Opp. American Consulate, Warden Road, Mumbai – 400 026	Director	March 28, 2015
4)	Siddhartha Doshi	09812222	Mahaveer Colony, Budsu Road, Kuchaman City, Nawa, Nagaur, Kuchama, Rajasthan-RJ-341509	Independent Director	December 06, 2022

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

- 6.11. There has been no merger, demerger, amalgamation or spin-off during the last 3 years involving the Target Company.
- 6.12. As on the date of this DLOF, the Target Company does not have any Subsidiary or Holding Company.
- 6.13. The Target Company has no Equity Shares that are locked-in as of the date of this DLOF.

- 6.14. The Target Company including its directors has not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act. The Target Company is not an Insolvent applicant under Insolvency and Bankruptcy Code, 2016.
- 6.15. The Target Company including its directors are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.
- 6.16. The key financial information of the Target Company based on its audited financials for the 12 (twelve) month period ended March 31, 2023, 2022, 2021 and six months period ended on September 30, 2023 which has been subject to limited review by the Independent Statutory Auditor of the Target Company, are as follows:

(Rs. in Lakh except EPS)

Particulars	As at and for the six months period ended on September 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	(Unaudited) (Standalone)	(Audited) (Standalone)	(Audited) (Standalone)	(Audited) (Standalone)
Profit & Loss Statement				
Income from Operations	-	-	-	-
Other Income	0.26	1.60	2.10	4.82
Total Income	0.26	1.60	2.10	4.82
Total Expenditure <i>(Refer Note 1)</i>	8.98	10.36	20.42	13.01
PBDIT	(8.71)	(8.76)	(18.32)	(8.19)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/(loss) before exceptional items and tax	(8.71)	(8.76)	(18.32)	(8.19)
Exceptional & Prior Period Items	-	0.30	-	-
Profit/(Loss) Before Tax	(8.71)	(9.06)	(18.32)	(8.19)
Provision for Tax	-	-	-	-
Profit/(Loss) After Tax	(8.71)	(9.06)	(18.32)	(8.19)
Balance Sheet				
Sources of Funds				
Paid up Capital	100	100	100	100
Reserves and Surplus	(92.96)	(92.35)	(83.29)	(64.98)
Net worth	7.04	7.65	16.71	35.02
Secured Loans	-	-	-	-
Unsecured Loans	-	8.10	8.10	8.10
Deferred Tax Liabilities	-	-	-	-
Other financial liability	0.45	-	-	-
Total	7.49	15.75	24.81	43.12
Uses of Funds				
Net Fixed Assets	-	-	-	-
Investments	-	-	-	-
Current Assets Loan and Advances	7.66	16.51	26.55	43.42
Current Liabilities	0.17	0.76	1.74	0.30
Net Current Assets	7.49	15.75	24.81	43.12
Total Misc. Exp. Not Written Off	-	-	-	-
Total	7.49	15.75	24.81	43.12
Other Financial Data				
Dividend (%)	NA	NA	NA	NA
Earnings Per Share (in Rs.)	(0.87)	(0.91)	(1.83)	(0.82)
Return on Net worth (%) <i>(Refer Note 2)</i>	(124%)	(118%)	(110%)	(23%)
Book Value Per Share (in Rs.)	0.70	0.77	1.67	3.50

Note: 1-Exclusive of Depreciation and Interest

2. Not annualised

6.17. Mr. Vedant Bhatt has been appointed as the Company Secretary and Compliance officer of the Target Company w.e.f. November 25, 2023 and he can be reached at the Target Company's contact details and Email-Id mentioned below:

Tel. No. +91-022-30001700

Email: indianbrightsteel@gmail.com

6.18. Pre and Post Offer Shareholding Pattern of the Target Company as on September 30, 2023 is and shall be as follows:

Shareholders' Category	Equity Shares/voting rights prior to the agreement/acquisition and offer		Equity Shares/voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations, 2011 (Assuming full acceptances)		Equity Shares/voting rights to be acquired in this Offer (Assuming full acceptances)		Shareholding/ voting rights after the acquisition and this Offer (Assuming full acceptances)	
	A		B		C		A+B+C=D	
	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Equity Share Capital
(1) Promoter and Promoter Group								
a) Parties to agreement, if any	3,53,462	0.44%	(3,53,462)	(0.44%)	0	0.00%	-	0.00%
b) Promoter other than (a) above	2,100	0.00%	0	0.00%	0	0.00%	2,100	0.00%
Total 1 (a+b)	3,55,562	0.44%	(3,53,462)	(0.44%)	0	0.00%	2,100	0.00%
(2) Acquirers and PAC							-	
a) Acquirer-1	0	0.00%	2,38,84,702 ⁽¹⁾	29.45%	0	0.00%	2,38,84,702	29.45%
b) Acquirer-2	0	0.00%	1,59,23,135 ⁽²⁾	19.64%	0	0.00%	1,59,23,135	19.64%
c) PAC	0	0.00%	0	0.00%	2,10,83,400	26.00%	2,10,83,400	26.00%
Total 2 (a+b+c)	0	0.00%	3,98,07,837	49.09%	2,10,83,400	26.00%	6,08,91,237	75.09%
(3) Parties to agreement other than 1 (a) & 2	0	0.00%		0.00%	0	0.00%	-	0.00%
(4) Public (other than parties to the agreement, the Acquirers and the PAC)								
a) FIs/MFs/FIIs/Banks /SFIs	50	0.00%	0	0.00%	(2,10,83,400)	(26.00%)	2,01,96,663	24.91%
b) Others	6,44,388	0.79%	4,06,35,625 ⁽³⁾	50.11%				
Total (4) (a+b)	6,44,438	0.79%	4,06,35,625	50.11%	(2,10,83,400)	(26.00%)	2,01,96,663	24.91%
Grand Total (1+2+3+4)	10,00,000	1.23%	8,00,90,000	98.77%	0	26.00%	8,10,90,000	100.00 %

Note:

(1)- Includes 2,12,077 Equity Shares under SPA, 1,88,12,625 Equity Shares under SS&SA and 48,60,000 Warrants under the Preferential Issue.

(2)- Includes 1,41,385 Equity Shares under SPA, 1,25,41,750 Equity Shares under SS&SA and 32,40,000 Warrants under the Preferential Issue.

(3)- Includes 1,25,00,000 Warrants proposed be issued to the Public under the Preferential Issue.

- 6.19. The Acquirers and the PAC have not acquired any Equity Shares of the Target Company after the date of PA, i.e. November 22, 2023 and up to the date of this DLOF.

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7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1. JUSTIFICATION OF OFFER PRICE UNDER DIRECT ACQUISITION

- 7.1.1. The Offer is a mandatory offer made in accordance with Regulation 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations. The Offer is made for the acquisition of up to 26% of the Diluted Shares and Voting rights pursuant to the Preferential Issue accompanied with a change in control of the Target Company.
- 7.1.2. The Equity Shares of the Target Company are currently listed and traded on the BSE.
- 7.1.3. The annualized trading turnover of the Equity Shares traded during the twelve calendar months preceding November 2023, the month in which PA was made, is as given below:

Name of the Stock Exchange	Total number of Equity Shares traded during twelve calendar months preceding to November 2023	Total Number of Listed Equity Shares on Stock Exchange	Trading Turnover (in terms of % to Total Listed Equity Shares)
BSE	69,163	10,00,000	6.92%

Source: www.bseindia.com

- 7.1.4. Based on above, the equity shares of the Target Company are infrequently traded on BSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 7.1.5. The Offer Price of Rs. 16/- (Rupees Sixteen only) per Equity Share is justified in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations as it is higher of the following:

Sr. No.	Particulars	Price Per Equity Share
a)	Highest Negotiated Price per equity share for any acquisition under the Agreements attracting the obligation to make the PA	Rs. 14.00
b)	The volume-weighted average price paid or payable for acquisition during the 52 week immediately preceding the date of the PA	Not Applicable
c)	The highest price paid or payable for any acquisition during 26 weeks period immediately preceding the date of PA	Not Applicable
d)	The volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE	Not Applicable
e)	Price as determined in case of infrequently traded shares	Rs. 12.80*
f)	The price at which securities are proposed to be issued to the Acquirers by the Target Company in the Preferential issue	Rs. 16.00

* An extract of the report by the Registered Valuer is reproduced below:

Valuation Approach	Valuation Methods	Value in Rs./ Equity Share	Weight	Weighted Value in Rs.
Market	Market Price	23.98	20.00%	4.80
Market	Comparable Companies' Multiple	-	-	-
Income	Discounted Cash Flow	-	-	-
Income	Earning Capitalisation method	-	-	-
Asset	Net Asset Value	10.00	80.00	8.00
	Fair Market Value per Equity Share (in Rs.) (Rounded Off)			12.80

- 7.1.6. The Offer Price of Rs. 16/- (Rupees Sixteen Only) per equity share is justified in terms of Regulations 8(2) of SEBI (SAST) Regulations. The Offer Price is denominated and payable in Indian Rupees only.
- 7.1.7. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. Further, there is no differential pricing for the Offer.
- 7.1.8. In case the Acquirers and the PAC acquire Equity Shares of the Target Company during the period of twenty-six weeks after the closure of TP at a price higher than the Offer Price, then the Acquirers and the PAC shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose Equity Shares have been accepted in this Offer within sixty days from the date of such acquisition. However, no such difference shall

be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.

- 7.1.9. As on date of this DLOF, there is no revision in the Offer Price or Offer Size. An Upward revision to the Offer Price or to the Offer Size, if any, on account of future purchases or competing offers, such revision will be done only up to the period prior to commencement of last Working Day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) and Regulation 18(5) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers and the PAC shall:
- make corresponding increase to the escrow amount;
 - make a public announcement in the same newspapers in which DPS has been published; and
 - Simultaneously with the issue of such public announcement, inform the SEBI, the BSE and the Target Company at its registered office/corporate office of such revision.

The revised Offer Price would be paid to all the Eligible Equity Shareholders whose Equity Shares are accepted under the Offer.

- 7.1.10. If the Acquirers and the PAC acquire or agree to acquire any Equity Shares or voting rights in the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations. However, no such acquisition shall be made by the Acquirers and the PAC after 3 Working Days prior to the commencement of the Tendering Period of this Offer and until the expiry of the tendering period of this Offer.

7.2. FINANCIAL ARRANGEMENTS

- 7.2.1. Assuming full acceptance of this Offer, the total fund requirement for the Offer is Rs. 33,73,34,400/- (Rupees Thirty-Three Crore Seventy-Three Lakh Thirty-Four Thousand and Four Hundred only) (**“Offer Consideration”**).
- 7.2.2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers, the PAC, the Manager to the Offer and the Escrow Agent have entered into an escrow agreement dated November 22, 2023 (**the “Escrow Agreement”**). Pursuant to the Escrow Agreement, the Acquirers and the PAC have established an escrow account under the name and title of **“IBSCL - Open Offer Escrow Account”** bearing account number 250559563895 with the Escrow Agent.
- 7.2.3. The Acquirers and the PAC have transferred a sum equivalent to Rs. 8,45,00,000 (Rupees Eight Crore Forty Five Lakh only) to the Escrow Account on or before November 29, 2023 in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations being more than 25% of the Offer Consideration payable under this Offer.
- 7.2.4. A lien has been marked on the said Cash Escrow Account in favour of the Manager to the Offer by the Escrow Bank. The Manager to the Offer has been solely authorised by the Acquirers and the PAC to operate and realise the value of Escrow Account in terms of the Regulation 17(5) of the SEBI (SAST) Regulations.
- 7.2.5. The Acquirers and the PAC jointly have adequate liquid financial resources for implementation of the Offer in full out of their aggregate liquid networth(s).
- C.A. Alok Gupta (Membership No. 082112), Proprietor of Alok Gupta & Associates, Chartered Accountants (Firm Registration No. 003498N), having their office located at Flat No. 15, Kaushalya Bldg. 4380/4B, Ansari Road, Darya Ganj – 110002, New Delhi, Tel. No. 011-4350 4236; Email: agassociate.ca@gmail.com/aaug106@gmail.com, has certified the liquid networth of the Acquirers vide separate certificate(s) dated November 15, 2023.
 - C.A. Kamlesh B Mehta (Membership No. 36323), Proprietor of Kamlesh B Mehta & Co., Chartered Accountants (Firm Registration No. 104676M), having their office located at 58, Shree Krishna Nivas, 4th Floor, 496, Kalba Devi Road, Mumbai – 400 002, Maharashtra, India Tel. No. 022-201 59 51/ 205 67 14; has certified the liquid networth of PAC vide certificate dated November 10, 2023.
- 7.2.6. In case of any upward revision in the Offer Price or the size of the Open Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirers and the PAC in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

- 7.2.7. Based on the networth of the Acquirers and the PAC, the Manager to the Offer is satisfied about the ability of the Acquirers and the PAC to implement the Offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer is satisfied that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfil the obligations of the Acquirers and the PAC under the Offer.

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8. TERMS AND CONDITIONS OF THE OFFER

8.1. OPERATIONAL TERMS AND CONDITIONS

- 8.1.1 The Offer is being made by the Acquirers and the PAC to: (a) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (b) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on the Identified Date; and (c) those persons who acquire the Equity Shares any time prior to the Offer Closing Date but who are not the registered Public Shareholders. The LOF shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company and the records of the respective Depositories on the Identified Date.
- 8.1.2 The Offer is not subject to any minimum level of acceptances from shareholders of the Target Company. The PAC will acquire all the Equity Shares of the Target Company that are validly tendered and accepted in terms of this Offer upto 2,10,83,400 (Two Crore Ten Lakh Eighty Three Thousand Four Hundred) Equity Shares of Rs. 10/- each representing 26% of the Diluted Share and Voting Capital of the Target Company. Thus, the acquirers and the PAC will proceed with the Offer even if they are unable to obtain acceptance to the full extent of the Equity Shares of the Target Company for which this Offer is made.
- 8.1.3 The Acquirers and the PAC refrain themselves to send the LOF to non-resident shareholders in accordance with Regulation 18(2) of the SEBI (SAST) Regulations since the local laws or regulations of any jurisdiction outside India may expose them or the Target Company to material risk of civil, regulatory or criminal liabilities in case the LOF is sent in its original form. However, non-resident can participate in the Offer even if LOF is not sent to them.
- 8.1.4 The Offer is subject to the terms and conditions set out in this DLOF, the PA, the DPS and any other public announcements that may be issued with respect to the Offer.
- 8.1.5 The LOF along with FOA would also be available at SEBI's website, www.sebi.gov.in and equity shareholders can also apply by downloading such forms from the website.
- 8.1.6 Accidental omission to dispatch the LOF or any further communication to any person to whom this Offer is made or the non-receipt of the LOF by any such person shall not invalidate the Offer in any way. The instructions, authorisations and provisions contained in the FOA constitute an integral part of the terms of this Offer.
- 8.1.7 The acceptance of the Offer must be unconditional and should be sent in the enclosed FOA along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer at the collection centres mentioned in Para 9 under "Procedure for Acceptance and Settlement" on or before the Closure of the TP.
- 8.1.8 The Acquirers and the PAC shall not be responsible in any manner for any loss of share certificate(s) and Offer acceptance documents during transit. The Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
- 8.1.9 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance.
- 8.1.10 Kindly note that the Registrar and Transfer Agent ("RTA") of the Target Company is Bigshare Services Private Limited and the Acquirers and the PAC have appointed them as "Registrar to the Offer" also. No documents should be sent to the Acquirers, the PAC, the Target Company and the Manager to the Offer.

8.2. LOCKED IN SHARES

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

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

8.3. ELIGIBILITY FOR ACCEPTING THE OFFER

All the Public Shareholders of the Target Company (except the Seller, the Acquirers, the PAC and persons deemed to be acting in concert with the parties to the Agreements), whether holding the Equity Shares in physical form or dematerialized form are eligible to participate in this Offer at any time during the tendering period for this Offer.

8.4. STATUTORY APPROVALS

- 8.4.1. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirers and the PAC, there are no statutory approvals required by the Acquirers and the PAC to complete this Offer. However, the approvals from members, the Stock Exchange and the ROC are due for proposed Preferential Issue and subsequent listing of Equity Shares of the Target Company alongwith increase in Authorised Share capital, change in name and change in objects of the Target Company.
- 8.4.2. All Public Shareholders of the Target Company who are either Non-Resident Indian (**the “NRIs”**) and Overseas Corporate Bodies (**the “OCBs”**) are subject to approval/exemption, if applicable, from the Reserve Bank of India (**“RBI”**). NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, QFIs and FIIs) had required any approvals (including from the RBI) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Offer.
- 8.4.3. In case of delay in receipt or non-receipt of any statutory approvals which may be required by the Acquirer at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer, to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer subject to the Acquirer agreeing to pay interest to the Eligible Equity Shareholders for the delay. However, where the statutory approvals extend to some but not all holders of the Equity Shares of the Target Company, the Acquirer have the option to make payment to such holders of the Equity Shares of the Target Company in respect of whom no statutory approvals are required in order to complete this Open Offer.
- 8.4.4. If any of the statutory approvals, are not met for reasons outside the reasonable control of the Acquirers and the PAC, or in the event the statutory approvals are refused, the Acquirers and the PAC, in terms of Regulation 23 of SEBI (SAST) Regulations, shall have a right to withdraw this Offer. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS is published and such announcement will also be sent to SEBI, BSE and the Target Company at its Registered Office.
- 8.4.5. In the event of withdrawal of this Offer, a public announcement will be made within 2 Working Days of such withdrawal, in the same newspapers in which the DPS was published/released and such public announcement will also be sent to the BSE, the SEBI and the Target Company at its registered office/corporate office.
- 8.4.6. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, the Acquirer shall have the right to withdraw the Open Offer, in the event that, for reasons outside the reasonable control of the Acquirers, (a) any statutory or other approvals specified in this paragraph 8.4 of this DLOF including the Required Statutory Approval or those which become applicable prior to completion of the Open Offer are finally refused and/or (b) any of the conditions precedent under the SS&SA and SPA as specified in paragraphs 3.1.6 and 3.1.7 of this DLOF are not met. In the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

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9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 9.1. The Offer is made to the Public Shareholders as defined in this DLOF. All Equity Shareholders whether holding Equity Shares in dematerialized form or physical form, registered or unregistered are eligible to participate in the Offer any time before closure of the Tendering Period.
- 9.2. Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received the DLOF, may participate in this Offer by submitting an application on a plain paper giving details regarding their shareholding and confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in Public Announcement, the DPS and the DLOF. Alternatively, such holders of the Equity Shares may apply in the Form of Acceptance-cum Acknowledgement in relation to this Offer that will be annexed to the DLOF, which may also be obtained from the SEBI website (www.sebi.gov.in) or the Registrar to the Offer
- 9.3. The Offer will be implemented through Stock Exchange Mechanism made available by BSE in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI’s Master Circular dated February 16, 2023 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 (“Master Circular”) issued by SEBI, as amended from time to time, and notices / guidelines issued by BSE and the Clearing Corporation in relation to the mechanism / process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time.
- 9.4. BSE shall be the designated stock exchange for the purpose of tendering shares in the Offer.
- 9.5. All the Equity Shareholders who desire to tender their Equity Shares under the Offer should consult with their respective depository participants and their respective stock brokers (“**Selling Broker**”) well in advance to understand the process and methodology in relation to tendering of Equity Shares through the Designated Stock Exchange.
- 9.6. A separate Acquisition Window will be provided by BSE to facilitate the placing of orders. The Selling Broker would be required to place an order / bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of BSE. Before placing the order / bid, the Selling Broker will be required to mark lien on the tendered Equity Shares. Details of such Equity Shares marked as lien in the demat account of the Public Shareholders shall be provided by the depository to the Indian Clearing Corporation Limited (“**Clearing Corporation**”).
- 9.7. In terms of the Master Circular, a lien shall be marked against the Equity Shares tendered in the Offer. Upon finalization of the entitlement, only the accepted quantity of Equity Shares will be debited from the demat account of the concerned Public Shareholder(s).
- 9.8. The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Public Shareholders’ sole risk. Public Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- 9.9. The details of settlement number under which lien will be marked shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the Offer Opening Date.
- 9.10. The Acquirers and the PAC have appointed Rikhav Securities Limited as the “**Buying Broker**” for the Open Offer through whom the purchases and the settlements on account of the Open Offer Shares shall be made during the Tendering Period.

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

Name:	Rikhav Securities Limited
Address:	B/501-502, 02, Commercial Building, Asha Nagar, Mulund (W), Mumbai – 400 080, Maharashtra, India
Tel. No.:	+91-22-6907 8300
Email:	info@rikhav.net
Contact Person:	Hitesh H Lakhwani
SEBI Registration No.:	INZ000157737
Validity:	Permanent
BSE Registration No.:	3174

- 9.11. During the Tendering Period, the tender of the Equity Shares by the Equity Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.

- 9.12. Shareholders or Seller whose brokers are not registered with BSE are able to tender their Equity Shares through the buyer's broker or the Buying Broker subject to fulfillment of the account opening and KYC of the Buying Broker.
- 9.13. The cumulative quantity tendered shall be displayed on the Designated Stock Exchange website throughout the trading session at specific intervals by the Designated Stock Exchange during Tendering Period.
- 9.14. Modification/cancellation of Orders will not be allowed during the tendering period of the Open Offer. Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client.
- 9.15. The reporting requirements for non-resident shareholders under FEMA and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Public Shareholder and/ or their Selling Broker.
- 9.16. Procedure for tendering Equity Shares held in dematerialised form:**
 - a. The Eligible Equity Shareholders who are holding Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares they intend to tender in this Offer.
 - b. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchanges. Before placing the bid, lien will be required to be marked on the tendered Equity Shares. Details of the Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by their respective depositories to the Clearing Corporation. In case, the Public Shareholder's demat account is held with one depository ("**Source Depository**") and the clearing member pool and Clearing Corporation account is held with another depository ("**Recipient Depository**"), the Equity Shares shall be blocked in the shareholders demat account at the Source Depository during the Tendering Period. Inter depository tender offer ("**IDT**") instructions shall be initiated by the Public Shareholders at the Source Depository to the clearing member/Clearing Corporation account at Recipient Depository. Source Depository shall block the Public Shareholders' Equity Shares (i.e., transfers from free balance to blocked balance) and send IDT message to Recipient Depository for confirming creation of lien. Details of Equity Shares blocked in the Public Shareholder's demat account shall be provided by the Recipient Depository to the Clearing Corporation
 - c. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than 6:00 PM on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
 - d. 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 / the Clearing Corporation, before the opening of the Offer.
 - e. The lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation.
 - f. Eligible Equity Shareholders shall submit Delivery Instruction Slips ("**DIS**") duly filled in specifying market type as "Open Offer" and execution date along with all other details to their respective depository participant / Selling Broker so that Equity Shares can be tendered in this Offer. For resident Public Shareholders holding Equity Shares in dematerialized form, submission of Form of Acceptance and TRS is not mandatory, but are advised to retain the acknowledged copies of the DIS and TRS with them until the expiry of the Offer Period. After lien is marked on Equity Shares and a valid bid is placed in the exchange bidding system, the bid shall be deemed to have been accepted for the Public Shareholders holding Equity Shares in dematerialized form.
 - g. Upon placing the bid, the Selling Broker(s) shall provide the transaction registration slip generated by the Designated Stock Exchange bidding system ("**TRS**") to the Eligible Equity Shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered etc. In case of non-receipt of the completed tender form and other documents, but where lien is marked on Equity Shares and a valid bid has been placed in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.
 - h. The Eligible Equity Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.

- i. The Eligible Equity Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement. The Eligible Equity Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.
- j. All non-resident Public Shareholders (i.e., Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance. The non-resident Public Shareholders holding Equity Shares in dematerialised form, directly or through their respective Selling Brokers, are required to send the Form of Acceptance along with the required documents to the Registrar to the Offer at its address given on the cover page of the LOF. The envelope should be super scribed as “Indian Bright Steel Co Limited - Open Offer”. The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance.

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

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

The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Broker and submit complete set of documents for verification procedure as mentioned below:-

- a. Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
- b. Original share certificate(s).
- c. Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
- d. Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
- e. Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature).
- f. Self-attested copy of address proof such as valid Aadhar Card, Voter I.D., Passport.
- g. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- h. After placement of order, as mentioned above in Point (g), the Selling Broker(s)/ Equity Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other required documents either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as “**Indian Bright Steel Co Limited - Open Offer**”. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker. Physical share certificates and other relevant documents should not be sent to the Acquirer, the Target Company or the Manager to the Offer. The Acquirer, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
- i. Equity Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Offer shall be subject to verification by the RTA. Acceptance of the Equity Shares in physical form shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, they will be treated as 'confirmed bids'.

- j. In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before Offer Closing Date.
- k. Equity Shareholders holding Equity Shares in physical mode will be required to fill the respective Forms of Acceptance cum Acknowledgment. Equity Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptance cum Acknowledgment along with the Draft Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance cum Acknowledgment.

9.18. Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

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

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

- a. The Public Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. Accidental omission to send the LOF to any person to whom the Offer is made or the non-receipt or delayed receipt of the LOF by any such person will not invalidate the Offer in any way.
- b. An Equity Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Draft Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment.
- c. The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement will be dispatched to all the Equity Shareholders of the Target Company, whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date to the Offer.
- d. In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company. The Letter of Offer along with the Form of Acceptance cum Acknowledgment (“FOA”) would also be available at SEBI's website, www.sebi.gov.in, and Public Shareholders can also apply by downloading such forms from the said website.

9.20. Settlement Process

- a. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
- b. The settlement of trades will be carried out in the manner similar to settlement of trades in the secondary market in accordance with the Master Circular. Upon finalization of the entitlement, only accepted quantity of Equity Shares will be debited from the demat account of the concerned Public Shareholder. Selling Broker(s) shall use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of the Clearing Corporation.
- c. The Public Shareholders holding shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes, keep their depository participant (“DP”) account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated acceptance.
- d. For Equity Shares accepted under the Offer, the Equity Shareholders will receive funds payout directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Equity Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Broker's settlement accounts and their respective Selling Brokers

- will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- e. The funds payout pertaining to the bids of NRIs, foreign shareholders and/or bids confirmed by custodians, will be transferred to the Selling Broker's settlement accounts or the settlement bank account of the custodian, in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
 - f. The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the Equity Shares tendered under the Offer.
 - g. For Equity Shares in physical form, the funds pay-out would be given to Public Shareholder's respective Selling Broker's settlement bank accounts for onward transfer to the respective Public Shareholder's account. The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned to the Public Shareholders directly by the Registrar to the Offer through registered post. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.
 - h. The direct credit of Equity Shares shall be given to the demat account of the Acquirer as indicated by the Buying Broker.
 - i. Once the basis of acceptance is finalised, the lien marked against unaccepted shares shall be released. Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer. Further, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of the Acquirer. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's Bank account as per the prescribed schedule.
 - j. Any Equity Shares that are: (i) subject matter of litigation; or (ii) held in abeyance or prohibited/restricted from being transferred pursuant to any pending court cases/attachment orders/restriction from other statutory authorities; are liable to be rejected unless directions/orders of an appropriate court/tribunal/statutory authority permitting the transfer of such Equity Shares are received together with the Equity Shares tendered under the Open Offer.
 - k. Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirer and the Manager accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
 - l. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulations 18 (11) and 18(11A) of the SEBI (SAST) Regulations, 2011.
 - m. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

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10. NOTE ON TAXATION

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

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

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

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

10.1. General:

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

- 10.1.5 The summary of income-tax implications on tendering of listed equity shares on the recognized stock exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.
- 10.1.6 In addition to income tax, as the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to Securities Transaction Tax (“STT”). STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% of the value of security transacted.
- 10.1.7 The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- 10.1.8 The shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income tax authorities, reporting their income for the relevant year.

10.2. Classification of Shareholders:

Shareholders can be classified under the following categories:

- 10.2.1 Resident Shareholders being:
 - i. Individuals, Hindu Undivided Family (“HUF”), Association of Person (“AOP”) and Body of Individual (“BOI”)
 - ii. Others – (i) Company and (ii) Other than Company
- 10.2.2 Non-Resident Shareholder being:
 - i. Non-Resident Indian (“NRI”)
 - ii. Foreign Institutional Investor (“FII”)/Foreign Portfolio Investors (“FPI”)
 - iii. Others – (i) Company and (ii) Other than Company

10.3. Classification of Income:

- 10.3.1 Shares can be classified under the following two categories:
 - i. Shares held as investment (Income from transfer of such shares taxable under the head “Capital Gains”)
 - ii. Shares held as stock in trade (Income from transfer of such taxable under the head “Profits and Gains from Business or Profession.”)
- 10.3.2 As per the current provisions of the IT Act, unless specifically exempted, 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 trading asset (i.e., stock-in-trade). Shareholders may also refer to Circular No.6/2016 dated February 29, 2016, issued by the Central Board of Direct Taxes (CBDT) in this regard.

10.4. Shares held as investment:

- 10.4.1 As per the provisions of the IT Act, where the shares are held as investments (i.e., capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains. Capital gains in the hands of shareholders would be computed as per provisions of section 48 of the IT Act and the rate of income-tax would depend on the period of holding.
- 10.4.2 **Period of holding:** Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain/STCG” or “long-term capital gain/LTCG”:
 - a) In respect of Equity Shares held for a period less than or equal to 12 months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“STCG”).

- b) Similarly, where Equity Shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“LTCG”).

10.5. Tendering of Shares in Offer through a Recognized Stock Exchange in India:

- 10.5.1 As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding one lakh rupees will be taxed at a rate of 10 percent provided the same has been subjected to STT, upon acquisition and sale. If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by CBDT vide Notification No. 60/2018 dated October 01, 2018, in order to get benefit of taxation at 10% under Section 112A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.
- 10.5.2 LTCG that arise on shares purchased prior to February 01, 2018, shall be grandfathered for the notional gains earned on such shares till January 31, 2018, as per Section 55 of IT Act. For computing capital gains under the grandfathering regime, 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 as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
- 10.5.3 Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.
- 10.5.4 Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the Equity Shares):
 - a) LTCG will be chargeable to tax at rate of up to 20% (plus applicable surcharge and cess) in the case of a non-resident shareholder or 10% (plus applicable surcharge and cess) without indexation as per the proviso to Section 112 of the IT Act. (other than an FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act).
 - b) In the case of FIIs (*), under Section 115AD(1)(iii) of the IT Act, income by way of LTCG arising from transfer of shares will be chargeable to tax at the rate of 10% (plus applicable surcharge and cess). Provided that in case of income arising from the transfer of long-term capital asset referred to in Section 112A, income-tax at the rate of 10% (plus applicable surcharge and cess) will be calculated on such income exceeding Rs. 1 lakh. Such capital gains would be computed without giving effect to the first and second proviso to Section 48. In other words, adjustment in respect of foreign exchange fluctuation and benefit of indexation would not be allowed while computing the capital gains.
 - c) For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and cess) under Section 115E of the IT Act.
 - d) For a resident shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and cess) without indexation as per the proviso to Section 112 of the IT Act.

* The CBDT has vide Notification No. 9/2014 dated January 22, 2014, notified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (FPI) Regulations, 2014 as FII for the purpose of Section 115AD of the IT Act.
- 10.5.5 Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG taxable under section 112A and section 112 of the IT Act.
- 10.5.6 Long term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.
- 10.5.7 As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @ 15% under section 111A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
- 10.5.8 In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.
- 10.5.9 Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 15%.

- 10.5.10 As per Section 70 of the IT Act, short term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
- 10.5.11 Non-resident shareholder can avail benefits of the DTAA between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed under the relevant DTAA read with MLI as may be in effect, and non-applicability of GAAR and providing and maintaining necessary information and documents as prescribed under the IT Act.
- 10.5.12 As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

10.5.13 Investment Funds

Under Section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head "Profits and gains of business or profession" would be exempt from income-tax on fulfilment of certain conditions specified therein. For this purpose, an "Investment Fund" means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

10.5.14 Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorised by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

10.6. Share held as Stock - in Trade

- 10.6.1 If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains from Business or Profession".

10.6.2 Resident Shareholders:

Profits of

- a) Individuals, HUF, AOP and BOI will be taxable as applicable slab rates.
- b) Domestic companies having turnover or gross receipts not exceeding Rs. 400 Crore in relevant financial year as prescribed will be taxable @25%.
- c) Domestic companies which have opted for concessional tax regime under Section 115BAA will be taxable at 22%.
- d) For persons other than stated above, profits will be taxable @ 30%.

No benefit of indexation by virtue of period of holding will be available in any case.

10.6.3 Non-Resident Shareholders:

Non-resident shareholders can avail beneficial provisions of the applicable DTAA, read with the MLI, entered into between India and the respective country of which the said shareholder is tax resident, subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

10.6.4 Where DTAA provisions are not applicable:

- a) For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.
- b) For foreign companies, profits would be taxed in India @ 40%.
- c) For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

No benefit of indexation by virtue of period of holding will be available in any case.

As per the current provisions of the IT Act, in addition to the above, surcharge and health and education cess are leviable for resident and non-resident shareholders.

10.6.5 Other Matters:

Further, the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders (other than resident company which has opted for concessional tax regime under Section 115BAA or Section 115BAB of the IT Act). Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India under Sections 90/90A of the IT Act and such foreign company does not have a permanent establishment in India in terms of the DTAA. In case where the said conditions are not satisfied, MAT will be applicable to the foreign company. In case of non-corporate shareholders, applicability of the provisions of Alternative Minimum Tax as per Section 115JC of the IT Act will also need to be analyzed depending on the facts of each case.

10.7. **Tax deduction at Source:**

10.7.1 Resident Shareholders:

In absence of any specific provision under the IT Act, the Acquirer is not required to deduct tax on the consideration payable to the shareholders pursuant to Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India.

10.7.2 Non-Resident Shareholders:

a). In case of FPIs:

Section 196D of the IT Act provides for specific exemption (subject to the conditions stated in the specified section read with the relevant rules) from withholding tax in case of capital gains arising in hands of FPIs. Thus, no withholding of tax is required in case of consideration payable to FPIs.

b). In case of non-resident tax payer (other than FPIs):

- i. Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act read with the provisions of the relevant DTAA and MLI, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard.
- ii. However, the Acquirer will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirer to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer to the non-resident shareholders.
- iii. Since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. The Acquirer believes that the responsibility of withholding/ discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.
- iv. In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer is entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

10.8 **Remittance/Payment of Interest:**

- 10.8.1 In case of interest, if any, paid by the Acquirer to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments. In the event, the Acquirer decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorisation of the interest, whether as capital gains or as

other income). In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer should be indemnified.

10.8.2 The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

10.9 Rate of Surcharge and Cess:

10.9.1 As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable. Summary of the same is provided below:

10.9.2 **Surcharge:**

a) In case of domestic companies:

- i. Surcharge @ 12% is leviable where the total income exceeds Rs. 10 crore and @ 7% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.
- ii. In case of domestic companies which are liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable.

b) In case of companies other than domestic companies:

- i. Surcharge @ 5% is leviable where the total income exceeds Rs. 10 crore.
- ii. Surcharge @ 2% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.

c) In case of individuals, HUF, AOP, BOI:

- i. Surcharge at the rate of 10% is leviable where the total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore.
- ii. Surcharge at the rate of 15% is leviable where the total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore.
- iii. Surcharge at the rate of 25% is leviable where the total income exceeds Rs. 2 crore but does not exceed Rs. 5 crore.
- iv. Surcharge at the rate of 37% is leviable where the total income exceeds Rs. 5 crore.
- v. However, for the purpose of income chargeable under section 111A, 112A and 115AD(1)(b) (for income chargeable to tax under the head capital gains), the surcharge rate shall not exceed 15%

d) In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds Rs. 1 crore.

10.9.3 Cess: Health and Education cess @4% is currently leviable in all cases.

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

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11. DOCUMENTS FOR INSPECTION

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

- 11.1 Certificate of Incorporation, MOA & AOA of the Target Company.
- 11.2 Certificate of Incorporation, MOA & AOA of the Azad Coach.
- 11.3 Copy of Liquidity Certificate(s) dated November 15, 2023 by C.A. Alok Gupta, Proprietor of Alok Gupta & Associates, Chartered Accountants, certifying liquid networth of the Acquirer(s).
- 11.4 Copy of Liquidity Certificate dated November 10, 2023 by C.A. Kamlesh B Mehta, Proprietor of Kamlesh B Mehta & Co., Chartered Accountants, certifying liquid networth of the PAC.
- 11.5 Copies of annual reports of the Target Company for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and half yearly financials for the period ended on September 30, 2023.
- 11.6 Copy of the Share Sale & Subscription Agreement dated November 22, 2023 between the Azad Coach, the Acquirers in the capacity of Shareholders of Azad Coach and the Target Company for Acquisition of Equity Shares of Azad Coach by the Target Company.
- 11.7 Copy of Valuation reports dated November 22, 2023 on determination of fair equity valuation of Target Company as per provisions of SEBI (ICDR) Regulations and SEBI (SAST) Regulations.
- 11.8 Copy of Valuation report dated November 22, 2023 on determination of fair equity valuation of Azad Coach from a Registered Valuer.
- 11.9 Copy of the Share Purchase Agreement dated November 22, 2023 amongst the Acquirers and the Seller.
- 11.10 Copy of the Cash Escrow Agreement dated November 22, 2023 between the Acquirers, the PAC, Manager to the Offer and the Escrow Agent.
- 11.11 Certificate from Escrow Agent confirming that Rs. 8,45,00,000/- (Rupees Eight Crore Forty Five Lakh only) amount kept in Escrow Account opened as per the SEBI (SAST) Regulations and a lien is marked in favour of Manager to the Offer.
- 11.12 Copy of Memorandum Understanding between the Acquirer-1 and the PAC dated July 20, 2023.
- 11.13 Consent letter of the Registrar to the Offer dated November 27, 2023.
- 11.14 A copy of the Public Announcement dated November 22, 2023.
- 11.15 Published copy of the DPS dated November 29, 2023, published by the Manager to the Offer on behalf of the Acquirers and the PAC in the Newspapers on November 30, 2023.
- 11.16 A copy of the DP Escrow Agreement dated December 06, 2023 entered amongst the Acquirers, DP Escrow Agent, Registrar to the Offer and Manager to the Offer.
- 11.17 A copy of the Letter of Offer dated [●].
- 11.18 Published copy of Offer opening advertisement dated [●], published in the Newspapers on [●].
- 11.19 Copy of the recommendation to be made by the committee of independent directors of Target Company, in relation to this Offer; and
- 11.20 Copy of the observations letter dated [●] from SEBI containing their comments on the DLOF.

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12. DECLARATION BY THE ACQUIRERS AND THE PAC

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

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

We hereby jointly and severally declare and confirm that all the relevant provisions of Companies Act and all the provisions of SEBI (SAST) Regulations have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act and SEBI (SAST) Regulations.

Signed by the Acquirers and the PAC

Sd/-
Mr. Bupinder Singh Chadha
("Acquirer-1")

Place: Bengaluru

Sd/-
Mr. Charnjit Singh Chadha
("Acquirer-2")

Place: Bengaluru

Sd/-
Mr. Abhijit Shah
("PAC")

Place: Abu Dhabi, UAE

Date: December 07, 2023.

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FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT (FOA)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Public Shareholders holding shares in physical form have to send this form with enclosures to Registrar to the Offer at their address given overleaf)

(Public Shareholders holding shares in demat form are not required to submit the Form of Acceptance-cum-Acknowledgment to the Registrar.)

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

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

Shareholder(s) Details:

Name: _____

Full Address: _____

Dist: _____; State: _____; PinCode: _____

Tel. No. with STD Code: _____; Mobile

No. _____

Fax No. with STD Code: _____;

Email: _____

BIGSHARE SERVICES PRIVATE LIMITED

Unit: Indian Bright Steel Co Limited – Open Offer

S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai – 400093,

Maharashtra India

Sub.: Open Offer for acquisition of 2,10,83,400 Equity Shares of “Indian Bright Steel Co Limited” representing 26% of the Diluted Shares & Voting Capital at a price of Rs. 16/- per Equity Share by the Acquirers and the PAC under SEBI (SAST) Regulations, 2011.

Dear Sir/Madam,

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

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

For Equity Shares held in Physical Form:

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

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

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

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

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

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

- Original Equity Share certificates

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Repatriable basis / Non-repatriable basis

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

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

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

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

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

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

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

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

Yours faithfully,

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

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

Place: _____

Date: _____

Form No. SH-4 Securities Transfer Form

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

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

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

Name of the Company: INDIAN BRIGHT STEEL CO LIMITED
CIN of the Company: L13209MH1960PLC011794
Name of the Stock Exchange where the Company is listed, if any: BSE Limited

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

Distinctive Number	From				
	To				
Corresponding Certificate No.					

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

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

Folio No. of Transferee: _____

Specimen Signature of Transferee: _____

Value of Stamp affixed: Rs. _____

Enclosures:

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

Stamps:

For Office use only:

Checked by _____ Signature tallied by _____

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

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

ACKNOWLEDGEMENT

For Physical Shares

Received from Mr./Ms./Mrs./M/s. _____

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

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

For Demat Shares

Received from Mr. / Ms. / Mrs. / M/s. _____

I / We, holding Equity Shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in "market" mode, duly acknowledged by my/our Depository Participant in respect of my shares as detailed below:

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

Stamp of Collection Centre	Signature of Official	Date of Receipt

Instructions:

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

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

BIGSHARE SERVICES PRIVATE LIMITED

Unit: Indian Bright Steel Co Limited – Open Offer

S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai – 400093,
Maharashtra India.

Telephone: +91-22- 62638200

E-mail: openoffer@bigshareonline.com

Contact Person: Maruti Eate