

DRAFT LETTER OF OFFER

"This Document is important and requires your immediate attention"

This Draft Letter of Offer is sent to you as an equity shareholder(s) of NIDHAN COMMERCIAL COMPANY LIMITED. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was affected.

OPEN OFFER BY

MR. KAPIL HIRALAL JAIN ("ACQUIRER")

Resident of 601, Janki Orchid CHS, 90, Feet Road, Opp- S.L. Porwal School, Bhayandar West, Thane,
Maharashtra- 401101, **Phone. No.:** 9920340081, **Email:** kapil.jain925@gmail.com

To the shareholders of

NIDHAN COMMERCIAL COMPANY LIMITED ("NCCL" or the "Target Company")

Registered Office at 97, Park Street, 5th Floor, Kolkata- 700016,

CIN: L36911WB1982PLC034794, **Tel. No.:** (033) 2226 7376,

Email: ncc_l@hotmail.com, **Website:** www.nidhanltd.com

For the acquisition of 76600 (Seventy-Six Thousand and Six Hundred) fully paid-up equity shares of the Target Company of face value of Rs. 10/- each, representing 25.67% of the equity and voting share capital of the Target Company at a price of Rs. 49/- (Rupees Forty-Nine Only) per equity share ("**Offer Price**") payable in cash ("**Offer**" or "**Open Offer**").

Please Note:

1. This Offer is being made by the Acquirer pursuant to Regulations 3(1) & 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**") for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.
2. The Offer is subject to receipt of statutory and other approvals as mentioned in Paragraph 7.7 of this Draft Letter of Offer.
3. If there is any upward revision in the Offer Price/Size at any time prior to the commencement of the last one (1) working day before the date of commencement of the tendering period viz. 29.01.2024 in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement dated 14.12.2023 had appeared. If the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement had been published.
4. **If there is a competitive bid:**
 - **The Public Offer under all subsisting bids shall open and close on the same date.**
 - **As per the information available with the Acquirer, no competitive bid has been announced as of the date of this Draft Letter of Offer.**
5. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement/Draft Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
6. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19(1) of the SEBI (SAST) Regulations.
7. The Procedure for acceptance and settlement of the Offer is set out in Para 8 of this Draft Letter of Offer. A Form of Acceptance is enclosed with this Draft Letter of Offer.
8. The Public Announcement, Detailed Public Statement and this Draft Letter of Offer (including Form of Acceptance cum Acknowledgement) would also be available at the website of SEBI at www.sebi.gov.in, MSEI at www.msei.in, CSE Limited at www.cse-india.com and BSE Limited at www.bseindia.com.

 MANAGER TO THE OFFER: VC Corporate Advisors Private Limited SEBI REGN NO: INM000011096 [Validity of Registration: Permanent] CIN : U67120WB2005PTC106051 (Contact Person : Ms. Urvi Belani / Mr. Premjeet Singh) 31, Ganesh Chandra Avenue, 2 nd Floor, Suite No.-2C, Kolkata-700 013 Phone No.: (033) 22253940 Email: mail@vccorporate.com Website: www.vccorporate.com TENDERING PERIOD OPENS ON: WEDNESDAY, JANUARY 31, 2024	 REGISTRAR TO THE OFFER: S.K. Infosolutions Private Limited CIN: U72300WB1999PTC090120 SEBI REGN. No.: INR00000388 Validity of Registration: Permanent (Contact Person: Mr. Dilip Bhattacharya) D-42, Katju Nagar Colony, Ground Floor, Jadavpur, Kolkata- 700032 Tel. No.: (033)-24120027, 24120029; Fax No.: (033) -24120027 Email ID: skcdilip@gmail.com Website: www.skinfo.in TENDERING PERIOD CLOSING ON: TUESDAY, FEBRUARY 13, 2024
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A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:

Activities	Date	Day
Date of the Public Announcement (PA)	December 07, 2023	Thursday
Publication of Detailed Public Statement (DPS) in newspapers	December 14, 2023	Thursday
Last date of Filing of the Draft Offer Document with the SEBI	December 21, 2023	Thursday
Last date for a Competing Offer	January 05, 2024	Friday
Identified Date*	January 16, 2024	Tuesday
Date by which the Letter of Offer will be dispatched to the shareholders	January 23, 2024	Tuesday
Last date by which Board of the Target Company shall give its recommendation	January 25, 2024	Thursday
Last date for upward revision of Offer Price and/or Offer Size	January 29, 2024	Monday
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspapers and sending the same to SEBI, Stock Exchanges and Target Company	January 30, 2024	Tuesday
Date of commencement of tendering period	January 31, 2024	Wednesday
Date of closing of tendering period	February 13, 2024	Tuesday
Date by which communications of rejection/ acceptance and payment of consideration for applications accepted shall be made	February 28, 2024	Wednesday

**Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer and Sellers including persons deemed to be acting in concert with such parties) are eligible to participate in the Offer any time before the Closure of the Tendering Period.*

Risk Factors relating to the transaction, the proposed offer and probable risks involved in associating with the Acquirer: -

The risk factors set forth below pertain to the underlying transaction, i.e. this Open Offer and are not intended to be a complete analysis of all risks in relation to this Open Offer or in association with the Acquirer or the Target Company, but are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Equity Shareholder in this Open Offer, but are merely indicative. Equity shareholders are advised to consult their stock brokers, tax advisers and/ or investment advisers/consultants, for analyzing all the risks with respect to their participation in this Open Offer.

Relating to the Open Offer

1. The Open Offer involves an offer to acquire 25.67% of the equity and voting share capital of NCCL from the eligible persons for the Offer.
2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the equity shareholders of shares that have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of statutory approvals, that may be required by the Acquirer as per regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of such statutory approvals was not due to willful default or negligence or failure on the part of the Acquirer to diligently pursue such approvals, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI.
3. Shareholders should note that the shareholders who have tendered their equity shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of equity shares under the Offer and dispatch of consideration gets delayed.
4. In compliance with SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, a lien will be marked in the depository system by the Depositories against the Equity Shares tendered in the Offer. Upon finalization of the entitlement, only accepted quantity of equity shares will be debited from the demat account of the shareholders and the lien marked against the unaccepted equity shares will be released. It is understood that the Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

5. As on date, the Offer is subject to the receipt of statutory and regulatory approvals required by the Acquirer as mentioned under Paragraph 7.7 of this Draft Letter of Offer. The Acquirer may not be able to proceed with the Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

Risks involved in associating with the Acquirer:

6. The Acquirer intends to acquire 76600 fully paid-up equity shares of face value of Rs.10/- each, representing 25.67% of the total fully paid-up equity and voting share capital of NCCL at an Offer Price of Rs. 49/- (Rupees Forty-Nine Only) per equity share, payable in cash under the SEBI (SAST) Regulations. NCCL does not have any partly paid-up equity shares as on the date of PA. Post this Offer, assuming full acceptance, the Acquirer will have significant equity ownership & effective management control over the Target Company pursuant to Regulations 3(1) & 4 of the SEBI (SAST) Regulations.
7. The Acquirer makes no assurance with respect to the market price of the equity shares during the Offer Period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirer makes no assurance with respect to the financial performance of the Target Company.
8. The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
9. The Acquirer does not accept the responsibility with respect to information contained in the Public Announcement or Detailed Public Statement or Draft Letter of Offer or Letter of Offer that pertains to the Target Company and have been compiled from publicly available sources.
10. For the purpose of disclosures in the PA or DPS or this Draft Letter of Offer in relation to the Target Company and/or the Sellers, the Acquirer, the Manager to the Offer have relied on the information published by the Target Company and/or the Seller, as the case may be, or publicly available sources and have not independently verified the accuracy of details of the Target Company and/or the Seller. The Acquirer and the Manager to the Offer do not accept any responsibility with respect to any misstatement by the Target Company and/or the Seller in relation to such information.
11. The risk factors set forth above pertain to the acquisition and the Offer and is not related to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.

THE RISK FACTORS SET FORTH ABOVE ARE NOT A COMPLETE ANALYSIS OF ALL RISKS IN RELATION TO THE UNDERLYING TRANSACTION, THE OFFER OR IN ASSOCIATION WITH THE ACQUIRER AND ARE ONLY INDICATIVE IN NATURE.

Currency of Presentation:

- a. In this Draft Letter of Offer, all references to “Rs.”/ “Rupees”/ “INR”/ “₹” are references to Indian Rupee(s), the official currency of the Republic of India.
- b. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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1. DEFINITIONS/ABBREVIATIONS:

Acquirer	Mr. Kapil Hiralal Jain
Act	Companies Act, 2013 as amended and other rules as applicable
Board	The Board of Directors of the Target Company
Book Value per Share	Net Worth/Number of shares
Buying Broker	Stock Broker appointed by the Acquirer for the purpose of this Open Offer i.e. Nikunj Stock Brokers Limited, having registered office at A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110007
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Clearing Corporation / ICCL	Indian Clearing Corporation Limited
CSE	The Calcutta Stock Exchange Limited
Control	Shall have the meaning ascribed to it under the SEBI (SAST) Regulations
DIN	Director Identification Number
DIS	Delivery Instruction Slip
DP	Depository Participant
DPS	Detailed Public Statement dated 14.12.2023
Draft Letter of Offer / DLOF	This Draft Letter of Offer dated 21.12.2023
EPS	Earning per Equity Share
Escrow Account	The escrow account opened with the Escrow Banker under the name and title “NCCL Open Offer Escrow Account” bearing account number 57500001392181
Escrow Banker	HDFC Bank Limited
Equity and voting share capital	Rs. 29,84,000/- divided into 2,98,400 equity shares of face value of Rs. 10/- each
FEMA	Foreign Exchange Management Act, 1999, as amended
FOA or Form of Acceptance	Form of Acceptance– cum– Acknowledgment accompanying the Letter of Offer
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except Acquirer and Sellers including persons deemed to be acting in concert with such parties) are eligible to participate in the Offer any time before the Closure of the Offer.
Manager to the Offer / Merchant Banker	VC Corporate Advisors Private Limited
MPSR	Minimum public shareholding requirement of 25% in the Target Company
MSEI	Metropolitan Stock Exchange of India Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	07.12.2023 to 28.02.2024
Offer Price	Rs. 49/- (Rupees Forty-Nine Only) per equity share payable in cash
Offer/Open Offer	Cash Offer being made by the Acquirer to acquire 76600 equity shares of face value of Rs. 10/- (Rupees Ten Only) each, representing 25.67% of the equity and voting share capital at a price of Rs. 49/- (Rupees Forty-Nine Only) per equity share
PA	Public Announcement dated 07.12.2023
PAC	Person(s) acting in concert as defined under regulation 2(1)(q)(2) of the SEBI (SAST) Regulations.
PAT	Profit After Tax
Persons eligible to participate in the Offer	All owners (registered and unregistered) of equity shares of NCCL (except the Acquirer and Sellers including persons deemed to be acting in concert with such parties)
persons deemed to be acting in concert with such parties	Mr. Rishab Dugar, Mr. Jabarmal Dugar, Mrs. Minu Dugar, Surendra Kumar Dugar HUF or any other persons connected with the Acquirer or Sellers thereto
Promoters/ Promoter Group/ Outgoing Promoters	Mr. Ratan Lal Dugar, Mrs. Suman Dugar, Mr. Surendra Kumar Dugar, Mrs. Suman Dugar, Mr. Ajit Kumar Dugar, Mrs. Rina Dugar, Mr. Mukesh Kumar Dugar, Mr. Rishab Dugar, Surendra Kumar Dugar HUF, Mr. Jabarmal Dugar, Mrs. Minu Dugar and Ratanlal Dugar HUF
RBI	Reserve Bank of India
Registrar to the Offer	S.K. Infosolutions Private Limited
Return on Net Worth	(Profit After Tax/Net Worth) *100
SCRR	Securities Contract (Regulation) Rules, 1957, as amended
SEBI	Securities & Exchange Board of India
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (SAST) Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.

Sellers	Mr. Ratan Lal Dugar, Mrs. Suman Dugar, Mr. Surendra Kumar Dugar, Mrs. Suman Dugar, Mr. Ajit Kumar Dugar, Mrs. Rina Dugar, Mr. Mukesh Kumar Dugar and Ratanlal Dugar HUF
Selling Broker	Respective stock brokers of all Shareholders who desire to tender their Equity Shares under the Open Offer
Stock Exchanges	Collectively MSEI and CSE
Target Company / NCCL	Nidhan Commercial Company Limited
Tendering Period	Period within which Eligible Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including Wednesday, January 31, 2024 and Tuesday, February 13, 2024
Working Day	A working day of SEBI, as defined in the SEBI (SAST) Regulations, 2011.

Note: All terms beginning with a capital letter used in this Draft LOF, but not otherwise defined herein, shall have the meaning ascribed thereto in that particular section or in the SEBI (SAST) Regulations unless specified.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LOF WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LOF 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 EQUITY SHAREHOLDERS OF NCCL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER VC CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 21.12.2023 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER:

3.1. Background of the Offer:

- 3.1.1 The Acquirer has entered into a Share Purchase Agreement dated December 07, 2023 with few of the Promoters of the Target Company, to acquire from them in aggregate 1,92,650 (One Lakh Ninety-Two Thousand Six Hundred and Fifty) equity shares [**“Sale Shares”**] of face value of Rs. 10/- each representing 64.56% of the total paid-up equity and voting share capital of the Target Company at a price of Rs. 49/- (Rupees Forty-Nine only) per equity share, payable in cash (**“Negotiated Price”**) for an aggregate consideration of 94,39,850/- (Rupees Ninety-Four Lakhs Thirty-Nine Thousand Eight Hundred and Fifty Only). Pursuant to acquisition of the aforesaid equity shares in terms of the SPA, the aggregate shareholding of the Acquirer in the Target Company would exceed the threshold limit prescribed under Regulation 3(1) of the SEBI (SAST) Regulations, accordingly, this mandatory Offer is being made under Regulation 3(1) of the SEBI (SAST) Regulations. Further, in terms of the SPA and post successful completion of the Open Offer, the Acquirer will also acquire control over the Target Company and hence this mandatory Offer is also being made under Regulation 4 of the SEBI (SAST) Regulations.
- 3.1.2 The prime object of the Offer is to comply with the applicable requirements of the SEBI (SAST) Regulations with respect to the substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company subject to receipt of all statutory approvals required in this Open Offer.
- 3.1.3 The Acquirer is making this Open Offer to acquire 76600 Equity Shares of face value of Rs. 10/- each representing 25.67% of the total paid-up equity and voting share capital of the Target Company, at a price of Rs. 49/- (Rupees Forty-Nine Only) per equity share (**“Offer Price”**) payable in cash (**“Offer”** or **“Open Offer”**), subject to the terms and conditions mentioned hereinafter. Assuming that the Open Offer is tendered in full, after the completion of this

Open Offer, the Acquirer shall hold the majority of the Equity Shares of the Target Company by virtue of which he shall be in a position to exercise effective management and control over the Target Company.

- 3.1.4 The Acquirer has not acquired any equity shares/voting rights of NCCL during the fifty- two weeks (52) period immediately preceding the date of the Public Announcement except for acquisition of 192650 equity shares acquired pursuant to the Share Purchase Agreement between the Acquirer and the Sellers.
- 3.1.5 There is no Person Acting in Concert (“**PAC**”) with the Acquirer for the purpose of this Open Offer in terms of regulation 2(1)(q)(2) of the SEBI (SAST) Regulations.
- 3.1.6 The payment of consideration shall be made to all the equity shareholders, who have tendered their equity shares in acceptance of the Open Offer, within ten working days of the expiry of the Tendering Period.
- 3.1.7 Subject to satisfaction of the provisions under the Companies Act, 2013 and/ or any other applicable Rules/ Regulation(s), the Acquirer intends to make changes in the management of the Target Company.
- 3.1.8 The Acquirer proposes to continue existing business of the Target Company and may diversify its business activities in future with prior approval(s) of the shareholders of the Target Company and such statutory and/or regulatory authority, as may be applicable, in due compliance with applicable laws. The main purpose of takeover is to expand the Company’s business activities in same/diversified line through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.

3.1.9 The Salient features of the transaction triggering the Open Offer are as under:

- The Sellers hold 1,92,650 equity shares of the Target Company aggregating to 64.56% of the total paid-up equity and voting share capital of the Target Company.
- The Sellers, forming part of the Promoter Group of the Target Company have agreed to sell and the Acquirer has agreed to acquire in aggregate 1,92,650 equity and voting share capital of the Target Company at a price of Rs. 49/- (Rupees Forty-Nine Only) per share in cash for an aggregate consideration of Rs. 94,39,850/- (Rupees Ninety-Four Lakhs Thirty-Nine Thousand Eight Hundred and Fifty Only) [**“Purchase Price”**].
- The Sale Shares are free from all charges, encumbrances or liens and are not subject to any lock in period.
- The Acquirer shall after the expiry of twenty-one working days from the date of Detailed Public Statement be entitled to, act upon the Agreement and may complete the acquisition of shares or voting rights in, or control over the Target Company as contemplated under Regulation 22(2) of the SEBI (SAST) Regulations on deposit of 100% of the consideration payable, assuming full acceptance, in cash, in the Escrow Account.
- The Sellers undertake that in case the Acquirer so desires, it shall immediately facilitate to appoint him or his nominees on the Board of Directors of the Target Company in terms of Proviso to Regulation 24(1) read with Regulation 17 of the SEBI (SAST) Regulations and also transfer the shares in the demat account of the Acquirer in the proportion as mentioned in the SPA in terms of compliance of Regulation 22(2) and 24(1) of the SEBI (SAST) Regulations.
- Against payment of the entire Purchase Price, the Sellers shall sell, convey and transfer to the Acquirer and the Acquirer shall purchase, acquire and accept from the Sellers the above-mentioned Sale Shares at and for the Purchase Price on a spot delivery contract basis.
- That the Acquirer and the Sellers agree to abide by their obligations as contained in the SEBI (SAST) Regulations.
- In case of non-compliance of any provisions of the SEBI (SAST) Regulations, the Agreement for such sale shall not be acted upon by the Sellers or the Acquirer and the same shall be treated as null and void.
- That it is clearly understood between the parties that it will be the responsibility of the Acquirer to comply with the provisions of the applicable laws and obtain necessary approvals wherever required in respect of the compliance of the Open Offer Formalities as per the SEBI (SAST) Regulations.

- 3.1.10 This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of equity shares of the Target Company.

- 3.1.11 The Acquirer has not been categorised as a willful defaulter or a fugitive economic offender and therefore he is in compliance with Regulations 6A and 6B of the SEBI (SAST) Regulations for the purpose of this Open Offer.
- 3.1.12 The Acquirer is desirous of acquiring majority shareholding in the Target Company along with acquiring the management and control in the Target Company. Therefore, the Acquirer has entered into a SPA with few constituents of the Promoter Group of the Target Company thereby triggering this mandatory Open Offer in compliance with Regulation 3(1) & 4 of the SEBI (SAST) Regulations. Upon the completion of the Offer, assuming full acceptances in the Offer and Equity Shares acquired pursuant to the aforesaid acquisition which triggered Open Offer, the Acquirer will hold 2,69,250 (Two Lakhs Sixty-Nine Thousand Two Hundred Fifty) Equity Shares leading to a change in management and control of the Target Company and be construed as the Promoter of the Target Company.
- 3.1.13 The Manager to the Offer, VC Corporate Advisors Private Limited, does not hold any equity shares in the Target Company as on the date of DPS or this Draft Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period.
- 3.1.14 The Acquirer undertakes that he will not sell the equity shares of the Target Company held by him during the Offer period, if any, in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 3.1.15 The Acquirer, has not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act, 1992 as amended or under any other Regulations made under the SEBI Act.
- 3.1.16 The Acquirer have not yet made any firm decision regarding proposed change in the Board of Directors of the Target Company.
- 3.1.17 As per Regulation 38 of the SEBI (LODR) Regulations read with Rule 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957 as amended (“**SCRR**”) the Target Company is required to maintain at least 25% public shareholding (“**Minimum Public Shareholding**”), as determined in accordance with SCRR, on continuous basis for listing. Upon completion of the Transaction, if the public shareholding of the Target Company falls below the minimum level of public shareholding as required to be maintained by the Target Company as per the SCRR and the SEBI (LODR) Regulations, the Acquirer undertakes to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the SCRR as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and/or the SEBI (LODR) Regulations, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% within 12 months from the date of such fall in the public shareholding to below 25%, through permitted routes and any other such routes as may be approved by SEBI from time to time.
- 3.1.18 As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors are required to constitute a committee of ‘Independent Directors’ to provide reasoned recommendation on this Offer to the Equity shareholders. Such recommendation of the committee of Independent Directors of the Target Company on the Offer will be published at least two (2) working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy of the same shall be sent to SEBI, MSEI, CSE and Manager to the Offer in compliance of Regulation 26(7) of the SEBI (SAST) Regulations.

3.2. Details of the proposed Offer:

- 3.2.1 The Detailed Public Statement pursuant to the Public Announcement made by the Acquirer has appeared in The Financial Express (English Daily) all editions, Jansatta (Hindi Daily) all editions, Pratah Kal (Marathi Daily) and Sukhabar (Bengali Daily) on 14.12.2023 in compliance with Regulation 14(3) of the SEBI (SAST) Regulations. The Detailed Public Statement made on 14.12.2023 is available on the website of SEBI and Stock Exchanges at www.sebi.gov.in, at www.msei.in and www.cseindia.com respectively.
- 3.2.2 The Acquirer is making this mandatory Open Offer under the provisions of Regulation 3(1) and 4 of the SEBI (SAST) Regulations to acquire upto 76600 (Seventy-Six Thousand and Six Hundred) equity shares of face value of Rs.10/- each representing 25.67% of total paid-up equity and voting share capital of the Target Company, at a price of Rs. 49/- (Rupees Forty-Nine Only) per equity share (the “**Offer Price**”) payable in cash, aggregating to 37,53,400/- (Rupees Thirty-Seven Lakhs Fifty-Three Thousand and Four Hundred Only) (“**Offer Size**”), subject to the terms and conditions mentioned hereinafter.
- 3.2.3 This Open Offer is being made to all the equity shareholders of the Target Company as on January 16, 2024 (“**Identified Date**”), except the Acquirer and Sellers including persons deemed to be acting in concert with such parties.
- 3.2.4 The Acquirer shall after the expiry of twenty-one working days from the date of Detailed Public Statement be entitled to, act upon the Agreement and may complete the acquisition of shares or voting rights in, or control over the Target Company as contemplated under Regulation 22(2) of the SEBI (SAST) Regulations on deposit of 100% of the consideration payable, assuming full acceptance, in cash, in the Escrow Account.

- 3.2.5 The Sellers undertake that in case the Acquirer so desires, it shall immediately facilitate to appoint him or his nominees on the Board of Directors of the Target Company in terms of Proviso to Regulation 24(1) read with Regulation 17 of the SEBI (SAST) Regulations and also transfer the shares in the demat account of the Acquirer in the proportion as mentioned in the SPA in terms of compliance of Regulation 22(2) and 24(1) of the SEBI (SAST) Regulations.
- 3.2.6 The payment of consideration shall be made to all the equity shareholders, who have tendered their equity shares in acceptance of the Open Offer, within ten working days of the expiry of the Tendering Period.
- 3.2.7 As on date of PA, the Target Company does not have partly paid-up equity shares. There are no outstanding warrants or option or similar instrument, convertible into equity shares at a later stage. No shares are subject to any lock-in obligations.
- 3.2.8 The Offer is subject to receipt of statutory and other approvals as mentioned in section VI of the DPS.
- 3.2.9 This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of equity shares of the Target Company.
- 3.2.10 This Offer is not conditional upon any minimum level of acceptance in terms of the regulation 19(1) of the SEBI (SAST) Regulations, and not a Competitive Bid in terms of the Regulation 20 the SEBI (SAST) Regulations.
- 3.2.11 Since the date of PA to the date of this Draft LOF, the Acquirer has not acquired any equity shares of NCCL.
- 3.2.12 No competitive bid has been received as on date of this Draft LOF.
- 3.2.13 There are no conditions as stipulated in the SPA, the meeting of which would be outside the reasonable control of the Acquirer and in view of which the Offer might be withdrawn under Regulation 23(1) of the SEBI (SAST) Regulations.
- 3.2.14 Upon the completion of the Offer, assuming full acceptance in the Offer and Equity Shares acquired pursuant to the aforesaid acquisition which triggered Open Offer, the Acquirer will collectively hold 269250 Equity Shares representing 90.23% of the total paid-up equity and voting share capital of the Target Company and hence there will be a change in the management and control pursuant to this Open Offer. Accordingly, the Acquirer, will be inducted as Promoters of the Target Company post completion of the Open Offer in compliance with the conditions specified under Regulation 31A of the SEBI (LODR) Regulations and other statutory approvals applicable thereto and all the Promoters (including the Sellers forming parties to the SPA) will also be reclassified into non-promoter category under Regulation 31A of the SEBI (LODR) Regulations.
- 3.2.15 The Manager to the Offer, M/s. VC Corporate Advisors Private Limited, does not hold any equity shares in the Target Company as on the date of the DPS. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period.

3.3. Object of the Offer:

- 3.3.1 The prime object of the Offer is to comply with the applicable requirements of the SEBI (SAST) Regulations with respect to the substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company subject to receipt of all statutory approvals required in this Open Offer.
- 3.3.2 This Open Offer is for acquisition of 25.67% of total equity and voting share capital of the Target Company. After the completion of this Open Offer, assuming full acceptance, the Acquirer shall hold the majority of the Equity Shares of the Target Company by virtue of which they shall be in a position to exercise effective management and control over the Target Company.
- 3.3.3 Subject to satisfaction of the provisions under the Act, whichever applicable, the SEBI (SAST) Regulations and/ or any other Regulation(s), the Acquirer intends to control & make changes in the management of NCCL.
- 3.3.4 The Acquirer does not have any plans to dispose off or otherwise encumber any significant assets of NCCL in the succeeding 2 (two) years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that he shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through a special resolution in terms of Regulation 25(2) of SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.

4. BACKGROUND OF THE ACQUIRER:

Mr. Kapil Hiralal Jain (“Acquirer”)

- 4.1. Mr. Kapil Hiralal Jain, S/o. Mr. Hiralal Bhoormalji Jain, aged about 41 years, is a resident of India currently residing at 601, Janki Orchid CHS, 90, Feet Road, Opp- S.L. Porwal School, Bhayandar West, Thane, Maharashtra- 401101. He has completed his high school in the year 1998 and is the Proprietor of Labdhi Rajat Glass. He is having more than 10 (ten) years of experience and has proven his excellence in strategic planning, operational efficiency and customer relationship management. The Acquirer has rechristened his name from Mr. Kapildeo Hirachand Chouhan to his present name vide Deed Poll Affidavit dated July 29, 2008.
- 4.2. He is not holding any equity shares in the Target Company prior to the date of the Public Announcement except for the execution of the Share Purchase Agreement (“SPA”/ “Agreement”) dated December 07, 2023, pursuant to which he has agreed to acquire 1,92,650 (One Lakh Ninety-Two Thousand Six Hundred and Fifty) equity shares [“Sale Shares”], constituting 64.56% of the total paid-up equity and voting share capital of the Target Company at a price of Rs. 49/- (Rupees Forty-Nine only) per equity share subject to the conditions specified in the SPA.
- 4.3. The net worth of Acquirer is Rs. 1,78,70,064.28 (Rupees One Crore Seventy-Eight Lakhs Seventy Thousand Sixty-Four and Twenty-Eight Paise Only) as on March 31, 2023 as certified by Mr. Mukesh B. Keshari (Membership No.: 601311), Proprietor of Mukesh Keshari & Co., Chartered Accountants, (FRN No.:154301W), having office at Flat No. 1102, Bldg. No 2, Vasudev Sky High, Near Commissioner Bungalow, Opp. Bhairav Residency, Kanakia Road, Mira Road (East), Thane- 401107, Mobile No.: 9920790852/ 8169711576, Email: mukeshkeshari36@gmail.com, vide their certificate dated December 07, 2023 bearing Unique Document Identification Number (“UDIN”) 23601311BGUMZL3861.
- 4.4. As on the date of PA, the Acquirer does not hold any position on the Board of Directors of any Listed Company.
- 4.5. In the past, the Acquirer was not required to undertake any compliance under the applicable provisions of Chapter V of SEBI (SAST) Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.6. As on the date of this DLOF, the Acquirer has not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act, 1992 as amended or under any other Regulations made under the SEBI Act.
- 4.7. The Acquirer has not been categorized as a willful defaulter or fugitive economic offender and therefore he has complied with Regulations 6A and 6B of the SEBI (SAST) Regulations.
- 4.8. There is no Person Acting in Concert (“PAC”) with the Acquirer for the purpose of this Open Offer in accordance with provisions of regulation 2(1)(q)(2) of the SEBI (SAST) Regulations.
- 4.9. As stated above, the Acquirer does not have any other relationship &/or interest in the Target Company including with its Directors, Promoters & key employees. There are no persons on the Board of the Target Company, representing the Acquirer. The Acquirer does not belong to any Group.
- 4.10. The Acquirer undertakes that he will not sell the equity shares of the Target Company, held and acquired by him, if any, during the Offer Period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 4.11. The Acquirer has undertaken that if he will acquire any equity shares of the Target Company during the Offer Period, they shall inform MSEI, CSE, the Target Company and the Manager to the Offer within 24 hours of the acquisition in compliance with Regulation 18(6) of the SEBI (SAST) Regulations. Further, he has also undertaken that he will not acquire or sell any equity shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the closure of the Tendering Period as per Regulation 18(6) of the SEBI (SAST) Regulations.

5. BACKGROUND OF THE TARGET COMPANY:

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

- 5.1. Nidhan Commercial Company Limited (“NCCL” / “Target Company”) was originally incorporated as a Public Limited Company on April 19, 1982 under the name and style “Nidhan Commercial Company Limited” in the state of West Bengal and has obtained the Certificate of Commencement of Business pursuant to Section 149(3) of the Companies Act, 1956 from the Registrar of Companies, West Bengal vide certificate dated April 27, 1982. The CIN of NCCL is L36911WB1982PLC034794. Presently, the registered office of the Target Company is situated at 97, Park Street, 5th Floor, Kolkata- 700016, Tel. No.: (033) 2226 7376, E-mail Id: ncc_l@hotmail.com and Website: www.nidhanltd.com. There has been no change in the name of the Target Company since its incorporation.

- 5.2. The Authorised Share Capital of the NCCL is Rs. 30,00,000/- divided into 3,00,000 equity shares of face value of Rs.10/- each. The Issued, Subscribed and Paid-up Equity Share capital of NCCL is Rs. 29,84,000/- divided into 2,98,400 equity shares of face value of Rs.10/- each. NCCL has established its connectivity with both Central Depositories Services (India) Limited and National Securities Depository Limited. The ISIN No. of NCCL is INE001V01016. The Target Company has no income from operations and generates income from other sources i.e., interest income and gain on investment measured at fair value through profit or loss.
- 5.3. As on the date of PA, the Target Company does not have any partly paid- up equity shares. There are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. No equity shares are subject to any lock-in obligations.
- 5.4. The equity shares of NCCL are presently listed at the Metropolitan Stock Exchange of India Limited (“MSEI”) and The Calcutta Stock Exchange Limited (“CSE”) only. The equity shares of NCCL are infrequently traded on both the MSEI and the CSE within the meaning of definition “frequently traded shares” under Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 5.5. The equity share capital of the Target Company is as follows:

Paid up Equity Shares of Target Company	No. of Shares / Voting Rights	% of Shares / Voting Rights
Fully Paid-up Equity Shares	298400	100%
Partly Paid-up Equity Shares	-	-
Total Paid-up Equity Shares	298400	100%
Total Voting Rights in the Target Company	298400	100%

- 5.6. As on the date of this Draft LOF, the Board of Directors of NCCL are as follows:

Names of Directors	DIN No.	Designation	Date of Appointment
Mr. Rishab Dugar	01389334	Managing Director	17/03/2015
Mr. Ratan Lal Dugar	00242452	Director	27/11/1987
Mr. Gandhi Chandra Mandal	07296100	Director	03/10/2015
Mrs. Sumam Dugar	07278860	Director	03/10/2015
Mr. Sanjay Gandhi	00242342	Director	05/05/2006
Mr. Surendra Kumar Dugar	00242241	Director	19/11/1990

Note: There are no persons on the Board of the Target Company, representing the Acquirer.

- 5.7. There has been no merger / demerger or spin off involving NCCL during the last 3 years.

5.8. Financial Information:

Brief standalone audited financial information of the Target Company for the Financial Years ended 31st March, 2021, 31st March, 2022, 31st March, 2023 and the certified and un-audited standalone financial statements for the six (6) months period ended 30th September, 2023 are as follows:

Profit & Loss Statement				(Amount Rs. in Lakhs)
For the Year Ended	Year ended 31st March, 2021 (Audited)	Year ended 31st March, 2022 (Audited)	Year ended 31st March, 2023 (Audited)	6 months Period ended 30th September, 2023 Un-audited & Certified)
Income from Operations	0.00	0.00	0.00	0.00
Other Income	7.36	5.64	7.57	4.78
Total Income	7.36	5.64	7.57	4.78
Total Expenditure	3.63	5.87	5.94	9.98
Profit/ (Loss) before Tax	3.73	-0.23	1.63	-5.20
Depreciation	0.02	0.01	0.01	0.00
Interest and Tax	0.00	0.00	0.00	0.00
Profit/ (Loss) before Tax, Depreciation & Interest	3.71	-0.24	1.62	-5.20
Provision for Tax (including fringe benefit tax)	-0.02	0.00	0.00	0.97
Profit/ (Loss) after tax	3.75	-0.23	1.63	-6.17

Balance Sheet**(Amount Rs. in Lakhs)**

As at	Year ended 31 st March, 2021 (Audited)	Year ended 31 st March, 2022 (Audited)	Year ended 31 st March, 2023 (Audited)	6 months Period ended 30 th September, 2023 (Un-audited & Certified)
Sources of funds				
Equity Share Capital	29.84	29.84	29.84	29.84
Other Equity	114.30	114.07	115.70	110.50
Misc. expenditure to the extent w/o	0.00	0.00	0.00	0.00
Net Worth	144.14	143.91	145.54	140.34*
Secured loans	0.00	0.00	0.00	0.00
Unsecured loans	0.00	0.00	0.00	0.00
Total	144.14	143.91	145.54	140.34
Uses of funds				
Net Fixed/ Non- Current Assets	0.45	0.20	0.19	0.19
Investments	130.69	135.99	136.74	0.00
Long Term Loans and advances	4.14	4.11	4.05	4.05
Net Current Assets	8.86	3.61	4.56	136.10
Total	144.14	143.91	145.54	140.34

Other Financial Data

For the year ended	Year ended 31 st March, 2021 (Audited)	Year ended 31 st March, 2022 (Audited)	Year ended 31 st March, 2023 (Audited)	6 months Period ended 30 th September, 2023 (Un-audited & Certified)
Dividend (%)	0.00	0.00	0.00	0.00
Earnings Per Share (Rs.)	1.26	-0.08	0.55	-2.07*
Return on Net worth (%)	2.60	-0.16	1.12	-4.40*
Book Value Per Share (Rs.)	48.30	48.23	48.77	47.03

*Non-Annualized.

Note:

- (i) $EPS = \text{Profit after tax} / \text{number of outstanding equity shares at the close of the year.}$
- (ii) $\text{Return on Net Worth} = \text{Profit after Tax} / \text{Net Worth.}$
- (iii) $\text{Book Value per Share} = \text{Net Worth-Preference Share Capital} / \text{No. of equity shares.}$
- (iv) Source: Annual Reports/ Certified & Un-audited Financial Statements of NCCL.

5.9. There has been no trading in the equity shares of the Target Company on both the MSEI and the CSE on the day of the Public Announcement, i.e., December 07, 2023.

5.10. Pre-Offer and Post-Offer Shareholding Pattern of NCCL based on Issued, Subscribed & Paid-up Equity and Voting Share Capital is as under:

Shareholders' Category	Shareholding/voting rights prior to the SPAs/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding/voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoter Group:								
(a) Parties to the Agreement/ Existing Promoters	1,92,650	64.56%	(1,92,650)	(64.56%)	-	-	-	-
(b) Promoters other than (a) above	29,150	9.77%	-	-	-	-	-	-
Total 1 (a+b)	2,21,800	74.33%	(1,92,650)	(64.56%)	-	-	-	-
2. Acquirer: *								
- Mr. Kapil Hiralal Jain	-	-	1,92,650	64.56%	76,600	25.67%	2,69,250	90.23%
Total 2	-	-	1,92,650	64.56%	76,600	25.67%	2,69,250	90.23%
3. Parties to Agreement other than 1(a) & 2	-	-	-	-	-	-	-	-
Total 3	-	-	-	-	-	-	-	-
4. Public (other than Parties to Agreement & Acquirer)					(76,600)	(25.67%)	29,150	9.77%
a. FIs/MFs/FIIs/Banks/SFIs:	-	-	-	-				
b. Others:	-	-	-	-				
Total No. of Shareholders in Public Category [as on 30.09.2023] =9	76,600	25.67%	-	-				
Total (4) (a+b)								
GRANDTOTAL (1+2+3+4)	2,98,400	100.00%	-	-	-	-	2,98,400	100.00%

*Subject to receipt of statutory and other approvals required, if any.

6. OFFER PRICE & FINANCIAL ARRANGEMENTS:

6.1. Justification of Offer Price:

6.1.1 The equity shares of the Target Company are presently listed at MSEI and CSE. The equity shares are placed under Scrip Code of "NCCL" and "24086" on MSEI and CSE respectively. The marketable lot for equity shares is 1 (One) equity share. This Open Offer for the acquisition of equity shares is as per the Regulations 3 (1) & 4 of the SEBI (SAST) Regulations.

6.1.2 The annualized total trading turnover in the Equity Shares of the Target Company on MSEI, i.e., having nation-wide trading terminal, and CSE, based on trading volume during the twelve calendar months prior to the month of Public Announcement ["PA"] (07.12.2022 to 06.12.2023) is as given below:

Stock Exchanges	Total No. of equity shares traded during the twelve calendar months prior to the month of PA	Total No. of equity shares of the Target Company	Trading Turnover (as % of total equity shares)
MSEI	Nil	298400	Not Ascertainable
CSE	Nil	298400	Not Ascertainable

6.1.3 Based on the information available on the website of MSEI and CSE, the equity shares of NCCL are infrequently traded on the both the MSEI and CSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.

- 6.1.4 The Offer Price of Rs. 49/- (Rupees Forty-Nine Only) per fully paid-up equity share of the Target Company is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations.

Sr. No.	Particulars	Price (In Rs.)
1.	Highest negotiated price per share for acquisition under the agreement attracting the obligations to make a public announcement for the Offer	Rs. 49/- per equity share
2.	The Volume- Weighted Average Price paid or payable for acquisitions by the Acquirer during 52 weeks immediately preceding the date of PA	Not Applicable
3.	Highest price paid or payable for acquisitions by the Acquirer during 26 weeks immediately preceding the date of PA	Not Applicable
4.	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5.	Where the equity shares are not frequently traded, the price determined by the Acquirer and the Manager to the Open Offer taking into account valuation parameters per Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares	Rs. 26.03 per equity share

Mr. Mukesh B. Keshari (Membership No.: 601311), Proprietor of Mukesh Keshari & Co., Chartered Accountants, (FRN No.:154301W), having office at Flat No. 1102, Bldg. No 2, Vasudev Sky High, Near Commissioner Bungalow, Opp. Bhairav Residency, Kanakia Road, Mira Road (East), Thane- 401107, Mobile No.: 9920790852/ 8169711576, Email: mukeshkeshari36@gmail.com, vide their certificate dated December 07, 2023 bearing Unique Document Identification Number (“UDIN”) 23601311BGUMZN6210 has stated that the Fair Value of the equity shares of NCCL is Rs. 26.03 per equity share.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 49/- (Rupees Forty-Nine Only) per equity share is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations.

- 6.1.5 During the last three years preceding the date of Public Announcement, the Company has not undertaken any Buyback of equity shares. Further, there has been no corporate action in the Company in the last one year from the date of public announcement under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price will be adjusted in the events of any corporate actions like bonus, rights issue, stock split, consideration, etc. where the record date effecting such corporate actions falls between the date of this Detailed Public Statement upto 3 (three) working days prior to the commencement of the Tendering Period and the same would be notified to the shareholders also.
- 6.1.6 As on date there is no revision in Open Offer price or Open Offer size. In case of any revision in the Open Offer price or Offer Size, the Acquirer shall comply with Regulation 18 of the SEBI (SAST) Regulations and all other applicable provisions of the SEBI (SAST) Regulations.
- 6.1.7 If there is any revision in the Offer price on account of future purchases/ competing offers, it will be done only up to the period prior to the commencement of the last one (1) working day before the date of commencement of the tendering period and would be notified to the shareholders.
- 6.1.8 If the Acquirer acquires equity shares of the Target Company during the period of twenty-six weeks after the tendering period at the price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the equity shareholders whose equity shares have been accepted in 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 an open offer under the SEBI (SAST) Regulations or pursuant to SEBI (Delisting of Equity Shares), Regulations, 2021 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

6.2. Financial arrangements:

- 6.2.1 The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their own sources/ net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged. Mr. Mukesh B Keshari (Membership No.: 601311), Proprietor of Mukesh Keshari & Co, Chartered Accountants, (FRN no.: 154301W), having office at Flat No 1102, Bldg. No 2, Vasudev Sky High, Near Commissioner Bungalow, Opp. Bhairav Residency, Kanakia Road, Mira Road (East), Thane- 401107; Mobile No.: 9920790852, 8169711576, Email: mukeshkeshari36@gmail.com vide their certificate dated December 07, 2023 bearing UDIN 23601311BGUMZM8444 have certified that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

- 6.2.2 The maximum consideration payable by the Acquirer assuming full acceptance of the Offer would be Rs. 37,53,400/- (Rupees Thirty-Seven Lakhs Fifty-Three Thousand and Four Hundred Only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account, namely “NCCL Open Offer Escrow Account” (bearing Account No.: 57500001392181) and deposited therein Rs. 37,54,000/- (Rupees Thirty-Seven Lakhs Fifty-Four Thousand Only) being more than 100% of the amount required for the Open Offer in an Escrow Account opened with the HDFC Bank Limited, Stephen House, 4, B.B.D. Bag, Kolkata- 700001 (“**Escrow Banker**”).
- 6.2.3 The Manager to the Offer is authorized to operate the above-mentioned Escrow Account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.4 Based on the aforesaid financial arrangements and the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfil the Offer obligations.
- 6.2.5 In case of any upward revision in the Offer Price or the size of the Open Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

7. TERMS AND CONDITIONS OF THE OFFER:

- 7.1 The Draft Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of NCCL (except the Acquirer and Sellers including persons deemed to be acting in concert with such parties) whose name appear on the Register of Members, at the close of business hours on 16.01.2023 (“**Identified Date**”). On receipt of a request from any shareholder to receive a copy of the letter of offer in physical format, the same shall be provided.
- 7.2 All owners of the shares, Registered or Unregistered (except the Acquirer and Sellers including persons deemed to be acting in concert with such parties) who own the shares any time prior to the Closing of the tendering period are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.
- 7.3 Accidental omission to dispatch this Draft LOF or the non-receipt or delayed receipt of this Draft LOF will not invalidate the Offer in anyway.
- 7.4 Subject to the conditions governing this Offer, as mentioned in the Draft LOF, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.
- 7.5 **Locked-in Shares:** There are no locked-in shares in NCCL.
- 7.6 **Eligibility for accepting the Offer:**

The Offer is made to all the equity shareholders (except the Acquirer and Sellers including persons deemed to be acting in concert with such parties) whose names would appear in the register of shareholders on 16.01.2023 at the close of the business hours on 16.01.2023 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7 Statutory Approvals and conditions of the Offer:

- 7.7.1 As on the date of this DPS, to the best of the knowledge and belief of the Acquirer, no statutory and other approvals are required in relation to the Open Offer.
- 7.7.2 The Acquirer, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a PA will be made within 2 (two) working days of such withdrawal, in the same newspapers in which this DPS had appeared.
- 7.7.3 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by the SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation

17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

7.7.4 No approval is required from any bank or financial institutions for this Offer.

7.7.5 The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER:

8.1 All the shareholders (registered or unregistered) of Equity Shares whether holding Equity Shares in dematerialised form or physical form, (except Acquirer and Sellers including persons deemed to be acting in concert with such parties) are eligible to participate in the Offer any time before closure of the tendering period.

8.2 There shall be no discrimination in the acceptance of locked-in and non-locked- in shares in the Offer. The residual lock-in period shall continue in the hands of the Acquirer. The shares to be acquired under the Offer must be free from all liens, charges and encumbrances and will be acquired together with the rights attached thereto.

8.3 Persons who have acquired the Equity Shares of the Target Company 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 the Equity Shares of the Target Company after the Identified Date or those who have not received the Letter of Offer, may also participate in this Offer.

8.4 The Open offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations and SEBI Master circular SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated 16 February 2023, issued by SEBI.

8.5 BSE Limited shall be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.

8.6 The facility for Acquisition of shares through Stock exchange Mechanism pursuant to an Open Offer shall be available on the BSE in the form of Separate Window ("**Acquisition Window**").

8.7 The Acquirer has appointed Nikunj Stock Brokers Limited for the Open Offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made. The contact details of the buying broker are as mentioned below:

Name: Nikunj Stock Brokers Limited

Address: A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110007

SEBI Regd. No.: INZ000169335

Tel. No.: 011 (47030017- 18)/ +91 99994 92292

Email-Id: complianceofficer@nikunjonline.com

Website: www.nikunjonline.com

Contact Person: Mr. Anupam Suman

8.8 As per the provisions of Regulations 40(1) of the SEBI (LODR) Regulations and SEBI's press release dated December 03, 2018 bearing reference number 'PR 49/ 2018', requests for transfer of securities shall not be processed unless the securities in dematerialised form with a depository w.e.f. April 01, 2019. However, in accordance with SEBI circular bearing reference number "SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020", shareholders holding securities in physical form are allowed to tender shares in an Open Offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding equity shares in physical form as well are eligible to tender their equity shares in this Offer as per the provisions of the SEBI (SAST) Regulations.

8.9 All the equity shareholders who desire to tender their equity shares under the Open Offer will have to intimate their respective stock brokers ("**Selling Brokers**") within the normal trading hours of the Secondary Market, during the Tendering period.

8.10 A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling broker can enter orders for dematerialized as well as physical Equity shares.

8.11 The cumulative quantity tendered shall be displayed on the Exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering period.

8.12 Shareholders can tender their shares only through a Broker with whom the shareholder is registered as a client.

8.13 In the event Selling Member/ Selling Brokers of any Eligible Shareholder is not registered with BSE trading member/ stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register himself by using quick unique client code (UCC) facility through that BSE registered stock broker (after submitting all details

as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholder is unable to register himself by using quick UCC facility through any other BSE registered stock broker, then that Eligible Shareholder may approach the Buying Broker, viz. Nikunj Stock Broker's Limited, to register himself by using quick UCC facility. The Public Shareholder approaching BSE registered stock- broker (with whom he does not have an account) / Nikunj Stock Broker's Limited may have to submit following details:

I. In case of Public Shareholder being an individual:

(a) If Public Shareholder is registered with KYC Registration Agency ("KRA"):

Forms required:

1. Central Know Your Client ("CKYC") form including Foreign Account Tax Compliance Act ("FATCA"), In Person Verification ("IPV"), Original Seen and Verified ("OSV") if applicable.
2. Know Your Client ("KYC") form documents required (all documents self- attested):
 - Bank details (cancelled cheque);
3. Demat details for Equity Shares in demat mode (demat master /latest demat statement).

(b) If Public Shareholder is not registered with KRA:

Forms required:

1. CKYC form including FATCA, IPV, OSV if applicable.
2. KRA form.
3. KYC form documents required (all documents self-attested):
 - Permanent Account Number ("PAN") card copy;
 - Address proof;
 - Bank details (cancelled cheque);
4. Demat details for Equity Shares in demat mode (demat master /latest demat statement)

It may be noted, that other than submission of above forms and documents, in person verification may be required.

II. In case of Public Shareholder, being a Hindu Undivided Family ("HUF"):

(a) If Public Shareholder is registered with KRA:

Forms required:

1. CKYC form of karta including FATCA, IPV, OSV if applicable
2. KYC form documents required (all documents self-attested):
 - Bank details (cancelled cheque);
3. Demat details for Equity Shares in demat mode (demat master /latest demat statement)

(b) If Public Shareholder is not registered with KRA:

Forms required:

1. CKYC form of karta including FATCA, IPV, OSV if applicable.
2. KRA form.
3. KYC form documents required (all documents self-attested):
 - PAN card copy of HUF & karta;
 - Address proof of HUF & karta;
 - HUF declaration;
 - Bank details (cancelled cheque);
4. Demat details for Equity Shares in demat mode (demat master /latest demat statement).

It may be noted that, other than submission of above forms and documents, in person verification may be required.

III. In case of Public Shareholder other than Individual and HUF:

(a) If Public Shareholder is KRA registered:

Forms required:

1. KYC form documents required (all documents certified true copy):
 - Bank details (cancelled cheque).
2. Demat details for Equity Shares in demat mode (demat master /latest demat statement).
3. FATCA, IPV, OSV if applicable.
4. Latest list of directors/authorised signatories/partners/trustees.
5. Latest shareholding pattern.
6. Board resolution.
7. Details of ultimate beneficial owner along with PAN card and address proof.
8. Last 2 years financial statements.

(b) If Public Shareholder is not KRA registered:

Forms required:

1. KRA form.
2. KYC form documents required (all documents certified true copy):
 - PAN card copy of company/ firm/trust;
 - Address proof of company/ firm/trust;
 - Bank details (cancelled cheque);
3. Demat details for Equity Shares in demat mode (demat master /latest demat statement).
4. FATCA, IPV, OSV if applicable.
5. Latest list of directors/authorised signatories /partners/trustees.
6. PAN card copies & address proof of directors/authorised signatories/ partners/trustees.
7. Latest shareholding pattern.
8. Board resolution/partnership declaration.
9. Details of ultimate beneficial owner along with PAN card and address proof.
10. Last 2 years financial statements.
11. Memorandum of association/partnership deed /trust deed.

It may be noted that, other than submission of above forms and documents, in person verification may be required.

It may be noted that the above-mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

8.14 Procedure for tendering shares held in Dematerialized Form.

- a) The Equity shareholders who are holding the equity shares in demat form and who desire to tender their Equity shares in this offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Open Offer.
- b) Under the existing mechanism, the shares tendered by the shareholders, on its acceptance will be directly transferred to the account maintained by the Clearing Corporation.
- c) As per SEBI circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released.
- d) The revised process, applicable to all the tender offers for which Public Announcement is made on or after October 15, 2021.
- e) There is no change in existing Early Pay-in process by investors and custodians.
- f) Shareholders should therefore ensure to give the instructions in the Depository systems well in advance to ensure all their DEMAT bids placed by the Trading Members are accepted before issue closure time.
- g) Custodian(s) should deposit shares/ Units through the Early Pay-in mechanism provided by Depositories system before confirmation of the bid orders placed by the Trading Members the bids/ orders.
- h) On the date of settlement all blocked equity shares will be transferred to the Clearing Corporation and the lien on the excess equity shares will be cancelled.
- i) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/ Clearing Corporation, before the opening of the Offer.
- j) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“TRS”) generated by the Exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
- k) The shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer

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

8.15 Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:

- a) All the Public Shareholders holding Equity Shares in physical form, who wish to accept the Offer and tender their Equity Shares in the Open Offer can send/deliver the Form of Acceptance-cum-Acknowledgment duly signed along with all the relevant documents (envelope should be super-scribed “**NCCL - Open Offer**”) by registered post with acknowledgement due or by courier, at their own risk and cost, to the following collection centre of the Registrar to the Offer during the working hours on or before the date of closure of the Tendering Period.

City	Contact Person	Address	Tel. No.	E-mail Id	Mode of Delivery
Kolkata	Mr. Dilip Bhattacharya	D-42, Katju Nagar Colony, Ground Floor, Jadavpur, Kolkata- 700032	033-24120027/0029	skcdilip@gmail.com	Hand delivery/ courier/registered post

Note: Business Hours: Monday to Friday 10 AM to 5 PM, except Saturdays, Sundays and public holidays.

- b) Shareholders who are holding physical equity shares and intend to participate in the offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
- The form of Acceptance-cum-Acknowledgement duly signed (by all equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
 - Original Share Certificates;
 - Valid shares transfer form(s) duly filled and signed by the transferors (i.e., by all registered Shareholders) in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirer;
 - Self-attested copy of the Shareholder’s PAN card;
 - Any other Relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the equity shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
 - Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorizations, such as Board Resolutions etc, in case of companies.
 - In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the Shareholder will be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.
- c) The Investor should approach the Seller Member (Trading Member of the Exchange) with his physical share certificate(s), transfer deed etc. as specified in the Letter of Offer/ Offer Documents/ Prospectus.
- d) The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Seller Member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- e) The Seller Member/ Investor has to deliver the shares & documents along with TRS to the Registrar & Transfer Agent (RTA). Physical Share Certificates to reach RTA within 2 days of bidding by Seller Member.
- f) The holders of physical equity shares shall ensure that the bidding form, together with the share certificate and transfer deed, is received by the share transfer agent appointed for the purpose before the last date of tendering period.
- g) In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar Card; (ii) Voter Identity Card; or (iii) Passport.
- h) Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open Offer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard.

- i) One copy of the TRS will be retained by RTA and RTA is to provide acknowledgement of the same to the Seller Member/ Investor.
- j) The Seller Member's shall be able to view in his terminal such physical share bids as Provisional bids.
- k) The verification of physical certificates shall be completed on the day on which they are received by the RTA
- l) The reasons for RTA rejection will be available as download to the Seller Member.
- m) As and when the RTA confirms the records, such bids will be treated as confirmed and displayed on Exchange Website.
- n) In the Seller Member's terminal such physical share bids will be moved from Provisional bids to confirmed bids.
- o) On acceptance of physical shares by the RTA, the funds received from Buying Broker by the Clearing Corporation (ICCL) will be released to the Seller Member(s) as per secondary market pay out mechanism.
- p) Any excess physical shares pursuant to acceptance/ allotment or rejection will be returned back to the Investors directly by RTA.

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

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

8.18 Procedure for Tendering the Shares in case of Non-Receipt of this Letter of Offer:

Persons who have acquired equity shares but whose names do not appear in the register of members of the Target Company on the Identified date, or those who have not received the Letter of Offer, may also participate in this Offer. A shareholder may participate in the Offer by approaching their broker and tender Equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as on the Identified date. In case of non-receipt of this Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or MSEI website (www.msei.in) or Merchant Banker website (www.vccorporate.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity shares of the Target Company. Alternatively in case of non-receipt of this Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificates and Form SH-4 in case of shares being held in physical form. Such Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.

8.19 No indemnity is needed from the unregistered shareholders.

8.20 Non- receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any shareholder, does not invalidate the Offer in any way.

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

8.22 Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

8.23 Settlement Process

- a. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favor of Clearing Corporation.
- b. The shares shall be directly credited to the pool account or client account(s) of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer.

8.24 Settlement of Funds/ Payment Consideration

The settlement of fund obligation for demats and physical Equity Shares shall be affected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker/ Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers/ Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations.

9. NOTE ON TAXATION

- 9.1. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the 'Situs' of such shares. 'Situs' of the shares is generally where a company is 'incorporated'. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be 'situated' in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act, 1961 ("IT Act").
- 9.2. Gains arising from the transfer of shares may be treated either as 'capital gains' or as 'business income' for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates.
- 9.3. Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year. The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to Securities Transaction Tax (STT) is set out below.
- 9.4. Taxability of capital gain in the hands of the Equity Shareholders:
 - i. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, yet to be notified, to which the provisions of applicability of payment of STT upon acquisition

shall not be applicable). Under this provision the capital gains tax would be calculated on gains exceeding ₹1,00,000/- (Indian Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any capital gains arising up to January 31, 2018, are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018, will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

- ii. As per section 111A of the IT Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Equity Shareholders (except certain specific categories).
- iii. Any applicable surcharge and education cess would be in addition to above applicable rates.
- iv. In case of resident Equity Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Equity Shareholders pursuant to the Offer. However, in case of non-resident Equity Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Equity Shareholders. It is therefore recommended that the non-resident Equity Shareholder may consult their custodians/authorized dealer's/ tax advisors appropriately.
- v. The tax implications are based on provisions of the IT Act as applicable as on date of this DLOF. 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.
- vi. Notwithstanding the details given above, all payments will be made to the Equity Shareholders subject to compliance with prevailing tax laws. The final tax liability of the Equity Shareholder shall remain of such Equity Shareholder and the said Equity Shareholder will appropriately disclose the amounts received by it, pursuant to this Offer, before the Indian income tax authorities.

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE EQUITY SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER AND THE MANAGER TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY EQUITY SHAREHOLDER AS A REASON OF THIS OFFER.

10. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. VC Corporate Advisors Private Limited at 31, Ganesh Chandra Avenue, 2nd Floor, Suite No.-2C, Kolkata-700 013 on any working day between 10.00 a.m. and 2.00 p.m. during the period the Offer is open i.e., from 31.01.2024 to 13.02.2024.

- i) Audited Annual Accounts of NCCL for the financial years ended 31.03.2021, 31.03.2022, 31.03.2023 and the certified and un-audited financial statements for the six months period ended 30.09.2023.
- ii) Memorandum and Articles of Association of NCCL including Certificate of Incorporation.
- iii) Certificates from Mr. Mukesh B Keshari (Membership No.: 601311), Proprietor of Mukesh Keshari & Co, Chartered Accountants, (FRN no.: 154301W), having office at Flat No 1102, Bldg. No 2, Vasudev Sky High, Near Commissioner Bungalow, Opp. Bhairav Residency, Kanakia Road, Mira Road (East), Thane- 401107, Phone no.: 9920790852,8169711576, Email: mukeshkeshari36@gmail.com, certifying the networth of the Acquirer and sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full both dated December 07, 2023 bearing UDIN 23601311BGUMZL3861 and UDIN 23601311BGUMZM8444 respectively.
- iv) Certificate, from Mr. Mukesh B Keshari (Membership No.: 601311), Proprietor of Mukesh Keshari & Co, Chartered Accountants, (FRN no.: 154301W), having office at Flat No 1102, Bldg. No 2, Vasudev Sky High, Near Commissioner Bungalow, Opp. Bhairav Residency, Kanakia Road, Mira Road (East), Thane- 401107 Phone no.: 9920790852,8169711576, Email: mukeshkeshari36@gmail.com has stated that the Fair Value of the equity

shares of NCCL is Rs. 26.03 per equity share vide dated December 07, 2023 bearing UDIN 23601311BGUMZN6210.

- v) Copy of the letter received from HDFC Bank Limited confirming the required amount kept in the escrow account and marked lien in favour of Manager to the Offer.
- vi) Copy of Share Purchase Agreement dated 07.12.2023 between the Sellers and the Acquirer which triggered the Open Offer.
- vii) Copy of the Memorandum of Understanding between the Acquirer and the Manager to the Offer, dated 07.12.2023.
- viii) Copy of the recommendations made by the Committee of Independent Director of the Target Company.
- ix) Copy of the Public Announcement dated 07.12.2023, published copy of the Detailed Public Statement dated 14.12.2023 and Issue of Opening Public Announcement dated _____.
- x) Copy of SEBI Observation letter no. _____ dated _____.

11. DECLARATION BY THE ACQUIRER:

In accordance with the regulation 25(3) of the SEBI (SAST) Regulations, the Acquirer accepts full responsibility for the information contained in the Public Announcement, Detailed Public Statement and the Draft Letter of Offer except that pertains to the Target Company and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations and the Acquirer would be responsible for ensuring compliance with the SEBI (SAST) Regulations.

On behalf of Acquirer:

Sd/-

Kapil Hiralal Jain

Place: Kolkata

Date: 21.12.2023