

**DRAFT LETTER OF OFFER***'This document is important and requires your immediate attention'*

The Letter of Offer will be sent to you as a Public Shareholder of Consecutive Investments And Trading Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or the Registrar. In case you have recently sold your Equity Shares, please hand over the Letter of Offer and the accompanying form of acceptance-cum-acknowledgement and transfer deed to the member of the stock exchange through whom the said sale was effected.

**OPEN OFFER BY**

Name	Acquirer	Address	Contact Details	Email Address
Birford Enterprises Private Limited	Acquirer	3rd Floor, Chinubhai House, 7-B Amrut Bag Colony, Opp Stadium, NR Hindu Colony, Navrangpura, Ahmedabad - 380014, Gujarat, India	+91-8824604775	birfordoffice2023@gmail.com

There is no person acting in concert for this Offer.

**OPEN OFFER FOR ACQUISITION OF UP TO 20,81,950 EQUITY SHARES, REPRESENTING 26.00% OF THE EXPANDED VOTING SHARE CAPITAL OF CONSECUTIVE INVESTMENTS AND TRADING COMPANY LIMITED, AT AN OFFER PRICE OF RS.20.00/- PER OFFER SHARE, PAYBLE IN CASH, MADE BY M/S BIRFORD ENTERPRISES PRIVATE LIMITED, THE ACQUIRER, IN ACCORDANCE WITH THE PROVISIONS OF REGULATIONS 3 (1) AND 4, AND SUCH OTHER APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AND SUBSEQUENT AMENDMENTS THERETO, FROM THE PUBLIC SHAREHOLDERS OF**

**CONSECUTIVE INVESTMENTS AND TRADING LIMITED**

A public limited company incorporated under the provisions of the Companies Act, 1956

Corporate Identification Number: L67120WB1982PLC035452.



Registered Office: 23, Ganesh Chandra Avenue, 3rd Floor, Kolkata, West Bengal, 700013, India;

Contact Number: 033-22114457; Website: www.consecutiveinvestment.com; Email Address: info@consecutiveinvestment.com;

- This Offer is being made by the Acquirer, in pursuance of the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, for substantial acquisition of Equity Shares and Voting Share capital accompanied with change in control and management of the Target Company.
- This Offer is not subject to a minimum level of acceptance by the Public Shareholders of the Target Company and is not a conditional offer under Regulation 19 of the SEBI (SAST) Regulations.
- As on the date of this Draft Letter of Offer, to the best knowledge of the Acquirer, there are no statutory approval(s) required to acquire Equity Shares that are validly tendered pursuant to this Offer. However, if any other statutory or governmental approval(s) are required or become applicable later before closure of the Tendering Period, this Offer shall be subject to such statutory approvals and the Acquirer shall make the necessary applications for such statutory approvals and this Offer would also be subject to such other statutory or other governmental approval(s). Where any statutory or other approval extends to some but not all the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required to complete this Offer.
- In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, ensuring that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (One) only.
- The Offer Price and/ or the Offer Size may be subject to upward revision, if any, pursuant to the provisions of Regulation 18 (4) of the SEBI (SAST) Regulations, at any time prior to commencement of the last 1 (One) Working Day prior to the Tendering Period i.e., Thursday, March 14, 2024, and the same would also be informed by way of a public announcement in the Newspapers. Where the Acquirer has acquired any Equity Shares during the Offer Period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with the provisions of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Equity Shares after the 3<sup>rd</sup> (Third) Working Day prior to the commencement of the Tendering Period, and until the expiry of the Tendering Period. In the event of such revision, the Acquirer shall: (i) make corresponding increase to the Escrow Amount; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, BSE, and the Target Company at its registered office of such revision. Such revised Offer Price shall be payable by the Acquirer for all the Offer Shares validly tendered during the Tendering Period of this Offer.
- The Acquirer may withdraw the Offer in accordance with the terms and conditions specified in 7.16.5 on page 30 of this Draft Letter of Offer. If the Offer is withdrawn, the Acquirer through the Manager, shall within 2 (Two) Working Days by an announcement in the Newspapers, in accordance with the provisions of Regulation 23 (2) of the SEBI (SAST) Regulations and such announcement shall be sent to SEBI, Stock Exchanges, and the Target Company at its registered office.
- This is not a competitive offer in accordance with the provisions of Regulation 20 of the SEBI (SAST) Regulations.**
- If there is a competitive offer, then the Offer under all subsisting bids shall open and close on the same date.**
- There has been no competing offer as on date of this Draft Letter of Offer.**
- Public Shareholders, who have accepted this Offer by tendering the requisite documents in terms of the Offer Documents, shall not be entitled to withdraw such acceptance during the Tendering Period.
- The procedure for acceptance is set out in Paragraph 8 titled as 'Procedure for Acceptance and Settlement of the Offer' at page 31 of this Draft Letter of Offer.
- The Offer Documents would also be available on SEBI's website accessible at [www.sebi.gov.in](http://www.sebi.gov.in), BSE's website accessible at [www.bseindia.com](http://www.bseindia.com), Manager's website accessible at [www.swarajshares.com](http://www.swarajshares.com), and Registrar's website accessible at '[www.purvashare.com](http://www.purvashare.com)'.

For capitalized terms, refer to the Paragraph titled 'Definitions and Abbreviations' beginning on page 7 of this Draft Letter of Offer.

**All future correspondences should be addressed to the Manager/ Registrar at the address mentioned below:**

 <p><b>MANAGER TO THE OFFER</b> Swaraj Shares and Securities Private Limited Principal Place of Business: Unit No 304, A Wing, 215 Atrium, Near Courtyard Marriot, Andheri East, Mumbai - 400093, Maharashtra, India Contact Person: Pankita Patel/ Tanmoy Banerjee Tel No.: +91-22-69649999 Email: <a href="mailto:compliance@swarajshares.com">compliance@swarajshares.com</a> Website: <a href="http://www.swarajshares.com">www.swarajshares.com</a> SEBI Registration No.: INM000012980 Validity: Permanent Corporate Identification Number: U51101WB2000PTC092621</p>	 <p><b>REGISTRAR TO THE OFFER</b> Purva Shareregistry (India) Private Limited Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai - 400 011, Maharashtra, India Telephone Number: 022-2301-2518/8261 E-mail Address: <a href="mailto:support@purvashare.com">support@purvashare.com</a> Website: <a href="http://www.purvashare.com">www.purvashare.com</a> Contact Person: Ms. Deepali Dhuri SEBI Registration Number: INR000001112 Validity: Permanent</p>
<p><b>OFFER OPENING DATE</b> <b>FRIDAY, MARCH 15, 2024</b></p>	<p><b>OFFER CLOSING DATE</b> <b>MONDAY, APRIL 01, 2024</b></p>

**TENTATIVE SCHEDULE OF THE MAJOR ACTIVITIES RELATING TO THIS OFFER**

<b>Tentative Schedule of Activities</b>	<b>Day and Date</b>
Issue date of the Public Announcement	Wednesday, January 31, 2024
Publication date of the Detailed Public Statement in the newspapers	Friday, February 02, 2024
Date of filing of the Draft Letter of Offer with SEBI	Monday, February 05, 2024
Last date of filing of the Draft Letter of Offer with SEBI	Friday, February 09, 2024
Last date for public announcement for a competing offer(s)#	Monday, February 26, 2024
Last date for receipt of comments from SEBI on the Draft Letter of Offer will be received (in the event SEBI has not sought clarification or additional information from the Manager)	Tuesday, February 27, 2024
Identified Date*	Thursday, February 29, 2024
Last date for dispatch of the Letter of Offer to the Public Shareholders of the Target Company whose names appear on the register of members on the Identified Date	Thursday, March 07, 2024
Last date of publication in the Newspapers of recommendations of the independent directors committee of the Target Company for this Offer	Wednesday, March 13, 2024
Last date for upward revision of the Offer Price and / or the Offer Size	Thursday, March 14, 2024
Last date of publication of opening of Offer public announcement in the newspapers in which the Detailed Public Statement had been published	Thursday, March 14, 2024
Date of commencement of Tendering Period	Friday, March 15, 2024
Date of closing of Tendering Period	Monday, April 01, 2024
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	Thursday, April 18, 2024

*Note:*

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

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

*\*Identified Date is only for the purpose of determining the names of the Public Shareholders to whom the Letter of Offer would be sent. All the public shareholders (registered or unregistered) of the Equity Shares (except the Acquirer) are eligible to participate in this Offer any time before the closure of this Offer.*

## RISK FACTORS

The risk factors set forth below are limited to this Offer, and the Acquirer, 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 the participation by Public Shareholders in this Offer, or in association with the Acquirer, but are merely indicative in nature. Public Shareholders are advised to consult their stockbrokers, investment consultants and/or tax advisors, for understanding and analysing all risks associated with respect to their participation in this Offer.

For capitalized terms used hereinafter, please refer to the 'Definitions' set out below.

### A. Risks relating to this Offer

1. This Offer is a mandatory open offer to acquire up to 20,81,950 Equity Shares, representing 26.00% of Expanded Voting Share Capital of the Target Company from the Public Shareholders. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 20,81,950 Equity Shares, representing 26.00% of Expanded Voting Share Capital of the Target Company. Accordingly, there is no assurance that all the Equity Shares tendered by the Public Shareholders in this Offer will be accepted. The unaccepted Equity Shares will be returned to the Public Shareholders in accordance with the schedule of activities for this Offer.
2. As on the date of this Draft Letter of Offer, to the best of knowledge and belief of the Acquirer, there are no statutory approvals required to acquire the Offer Shares that are validly tendered pursuant to this Offer or to complete this Offer, for further details kindly refer to Paragraph 7.16 titled as 'Statutory Approvals and conditions of the Offer' at page 30 of this Draft Letter of Offer. However, if any other statutory approvals are required prior to the completion of this Offer, then this Offer would be subject to the receipt of such other statutory approvals that may become applicable later. In the event such statutory approval(s) are refused, the Acquirer will have the right to withdraw this Offer in accordance with Regulation 23 (1) of the SEBI (SAST) Regulations. In the event of such a withdrawal of the Offer, the Acquirer (through Manager to the Open Offer) shall make an announcement of such withdrawal within 2 (Two) Working days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
3. In the event that either:
  - (a) there is any litigation leading to stay/ injunction on this Offer, or
  - (b) there is any litigation that restricts/ restraints the Acquirer from performing their obligations hereunder, or
  - (c) SEBI instructs the Acquirer not to proceed with this Offer,

then the Offer process may be delayed beyond the Schedule of Activities indicated in this Draft Letter of Offer or maybe then the Offer process may be delayed beyond the Schedule of Activities indicated in this Draft Letter of Offer. Consequently, payment of consideration to the Public Shareholders of the Target Company whose Equity Shares have been accepted in this Offer as well as the return of the Equity Shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 18 (11) of the SEBI (SAST) Regulations, then SEBI may, if satisfied that the non-receipt of approvals was not attributable to any wilful default, negligence, or failure on the part of the Acquirer to diligently pursue such approvals, grant an extension for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for the delay beyond the 10<sup>th</sup> Working Day from the date of closure of the Tendering Period, as may be specified by SEBI.

4. All Public Shareholders including resident or non-resident shareholders (including NRIs, OCBs and FPIs) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required 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 Open 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 Offer Shares held by them, 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 Offer Shares.

5. As per Regulation 18(9) of SEBI (SAST) Regulations, the Public Shareholders should note that the Equity Shares tendered by them and accepted in this Offer shall not be entitled to be withdraw post-acceptance of such Equity Shares during the Tendering Period, even if the acceptance of such Equity Shares under this Offer and the payment of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar, till such time as the process of acceptance of tenders and the payment of consideration is completed.
6. As per Regulation 18(9) of SEBI (SAST) Regulations, the Public Shareholders should note that the Equity Shares tendered by them and accepted in this Offer shall not be entitled to be withdraw post-acceptance of such Equity Shares during the Tendering Period, even if the acceptance of such Equity Shares under this Offer and the payment of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar, till such time as the process of acceptance of tenders and the payment of consideration is completed.
7. This Offer is subject to the receipt of statutory and regulatory approvals by the Acquirer. The Acquirer may not be able to proceed with this Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Further delay, if any, in the receipt of these approvals may delay completion of this Offer.
8. Non-residents and overseas corporate bodies (the "OCBs") holding the Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them in this Offer. Further, if the Public Shareholders who are not person's resident in India had required any approvals (including from Reserve Bank of India or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer reserve their right to reject such Equity Shares tendered under this Offer. If the Equity Shares are held under general permission of the Reserve Bank of India, the non-resident Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
9. This Draft Letter of Offer/ and the Letter of Offer has not been filed, registered, or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer/ and the Letter of Offer, resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to any new or additional registration requirements.
10. Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
11. The Acquirer and the Manager to the Open Offer accept no responsibility for statements made otherwise than in the Offer Documents, or in the advertisement or any materials issued by or at the instance of the Acquirer, excluding such information pertaining to the Target Company, which has been obtained from publicly available sources or provided or confirmed by the Target Company. Any person placing reliance on any other source of information will be doing so at his/her/its own risk.

**B. Risks involved in associating with the Acquirer**

1. The Acquirer intends to acquire up to 20,81,950 Equity Shares, representing 26.00% of the Expanded Voting Share Capital of the Target Company, at an offer price of Rs.20.00/- per Equity Share, payable in cash, under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Post this Offer, the Acquirer will have significant equity ownership and effective management control over the Target Company, pursuant to the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations.
2. The Acquirer, or the Manager to the Offer make no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Open Offer.
3. The Acquirer, or the Manager to the Offer makes no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
4. The Equity Shares and the documents tendered in this Offer will be held in trust by the Registrar until the completion of this Offer formalities, and the Public Shareholders will not be able to trade in such Equity Shares thereafter. Post this Offer,

the Acquirer will have significant equity ownership and effective management control over the Target Company, pursuant to the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations.

5. The Acquirer and the Manager to the Offer, accept no responsibility for the statements made otherwise than in the Offer Documents 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.
6. As per Regulation 38 of the SEBI (LODR) Regulations read together with Rules 19(2) and 19A of the SCRR, the Target Company is required to maintain at least 25.00% (Twenty-Five Percent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company shall not fall below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations.

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

#### **CURRENCY OF PRESENTATION**

In this Draft Letter of Offer,

1. All references to '₹', 'Rs.', 'Rupees', 'Re', 'Rupee' are references to the official currency of India.
2. Throughout this Draft Letter of Offer, all figures have been expressed in 'Lakhs' unless otherwise specifically stated.
3. 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 AND ABBREVIATIONS

Abbreviations	Particulars
Acquirer	M/s Birford Enterprises Private Limited, Company incorporated on Saturday, January 30, 2021, under the provisions of the Companies Act, 2013, bearing Company identification number 'U51909GJ2021PTC119847', having its registered office located at 3rd Floor, Chinubhai House, 7-B Amrut Bag Colony, Opp Stadium, NR Hindu Colony, Navrangpura, Ahmedabad, Ahmedabad, Gujarat, India, 380014
AoA	Articles of Association
Acquisition Window	The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to this Offer shall be available on the BSE, in the form of a separate window.
Acquisition Window Circulars	Stock exchange mechanism as provided under SEBI (SAST) Regulations and the SEBI circulars bearing reference number 'CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015', 'CFD/DCR2/CIR/P/2016/131 dated December 09, 2016' and 'SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021' and on such terms and conditions as may be permitted by law from time to time.
Board	Board of Directors of the Target Company.
Book Value per Equity Share	Net-Worth / Number of Equity Share.
BSE	The stock exchange where the Equity Shares of the Target Company are listed, i.e., BSE Limited.
Buying Broker	Nikunj Stock Brokers Limited.
CDSL	Central Depository Services (India) Limited.
CKYC	Central know your client.
CIN	Corporate Identification Number.
CITL/ Target Company	Consecutive Investments and Trading Company Limited bearing corporate identity number 'L67120WB1982PLC035452', with its registered office located at 23, Ganesh Chandra Avenue, 3rd Floor, Kolkata - 700013, West Bengal, India
Clearing Corporation	Indian Clearing Corporation Limited.
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made thereunder.
CSE	The Calcutta Stock Exchange Limited, being one of the stock exchanges, where presently the Equity Shares of the Target Company are listed.
Depositories	CDSL and NSDL.
Directors	Mr. Siddesh Arora bearing DIN '09772340', Mr. Raju Mahavar bearing DIN '09772386' and Mr. Sachinkumar Laxmanji Thakor bearing DIN '10318101' are the Directors of the Acquirer.
DIN	Director Identification Number.
DLoF/ Draft Letter of Offer	This draft letter of offer dated Monday, February 05, 2024, filed and submitted with SEBI pursuant to the provisions of Regulation 16 (1) of the SEBI (SAST) Regulations, for its observations.
DP	Depository Participant.
DPS/ Detailed Public Statement	Detailed Public Statement dated Thursday, February 01, 2024, in connection with this Offer, published on behalf of the Acquirer on Friday, February 02, 2024, in Financial Express (English daily) (All India Edition), Jansatta (Hindi daily) (All India Edition), Mumbai Lakshadeep (Marathi Daily) (Mumbai Edition) and Duranto Barata (Bengali Daily) (Kolkata Edition)
ECS	Electronic Clearing Service.
EPS	Earnings Per Equity Share calculated as Profit after tax / number of outstanding Equity Shares at the close of the year/ period.
Escrow Agreement	Escrow Agreement, dated Wednesday, January 31, 2024, entered amongst and between the Acquirer, the Escrow Banker, and the Manager to the Offer.
Escrow Account	The escrow accounts opened in accordance with Regulation 17 of the SEBI (SAST) Regulations, under the name and style of 'BEPL - OPEN OFFER ESCROW ACCOUNT' and 'BEPL -OPEN OFFER SPECIAL ESCROW ACCOUNT' with Axis Bank Limited, the Escrow Banker
Escrow Amount	The amount aggregating to Rs.1,10,00,000.00/- maintained by the Acquirer with the Escrow Banker, in accordance with the Escrow Agreement.
Escrow Banker	Axis Bank Limited.

<b>Abbreviations</b>	<b>Particulars</b>
Equity Shares	The fully paid-up equity shares of the Target Company of face value of Rs.10.00/- each.
Expanded Voting Share Capital/ Voting Share Capital	The total voting Equity Share capital of the Target Company on a fully diluted basis expected as of the 10 <sup>th</sup> Working Day from the closure of the Tendering Period for this Offer. This comprises of the existing 30,07,500 Equity Shares of the Target Company, and the Preferential Allotment of 50,00,000 equity shares made by the Target Company, aggregating to 80,07,500 Equity Shares of the Target Company, have been considered.
Finance Act	The Finance Act, 2021.
FATCA	Foreign Account Tax Compliance Act.
FEMA	The Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, as amended or modified from time to time.
FIIIs	Erstwhile Foreign Institutional Investor(s), as defined under Section 2(1)(f) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended and modified from time to time.
FIPB	Erstwhile Foreign Investment Promotion Board or the Foreign Investment Facilitation Portal, and which shall include the erstwhile Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and which shall include the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
FPIs	Foreign Portfolio Investor(s), as defined under Regulation 2(1)(j) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended and modified from time to time.
Form of Acceptance	Form of Acceptance-cum-Acknowledgement.
Identified Date	The date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent, being Thursday, February 29, 2024
IT Act	Income Tax Act, 1961, as amended and modified from time to time.
ISIN	International Securities Identification Number.
IFSC	Indian Financial System Code.
IPV	In person verification.
Letter of Offer	Letter of Offer along with along with Form of Acceptance-Cum-Acknowledgement (for holding Equity Shares in physical form), and Form SH-4 Securities Transfer Form, which shall be dispatched to the Public Shareholders of the Target Company.
LTCG	Long Term Capital Gains.
Manager	Swaraj Shares and Securities Private Limited
Maximum Consideration	The total funding requirement for this Offer, assuming full acceptance of this Offer being Rs.4,16,39,000/-, payable in cash
Newspapers	Financial Express (English daily) (All India Edition), Jansatta (Hindi daily) (All India Edition), Mumbai Lakshadweep (Marathi daily) (Mumbai Edition), and Duranto Barata(Bengali daily)(Kolkata Edition), wherein the Detailed Public Statement dated Thursday, February 01, 2024, and which shall be published on Friday, February 02, 2024, in accordance with the provisions of Regulation 14 (3) of the SEBI (SAST) Regulations.
NRE	Non-Resident External.
NRIs	Non - Resident Indians.
NRO	Non-Resident (Ordinary).
NSDL	National Securities Depository Limited.
OCBs	Overseas Corporate Bodies.
Offer	Open offer being made by the Acquirer for acquisition of up to 20,81,950 Equity Shares, representing 26.00% of the Voting Share Capital of the Target Company, at an offer price of Rs.20.00/- per Equity Share, to the Public Shareholders of the Target Company, payable in cash, assuming full acceptance aggregating to a maximum consideration of aggregating to an amount of Rs.4,16,39,000.00/-, that will be offered to the Public Shareholders who validly tender their Equity Shares in the Open Offer.
Offer Documents	Public Announcement, Detailed Public Statement, Draft Letter of Offer, Letter of Offer, Recommendation of the Committee of the Independent Directors of the Company, Pre-Offer Cum Corrigendum to Detailed Public Statement, and Post



Abbreviations	Particulars
	Offer Public Announcement, and any other notices, advertisements, and corrigendum issued by or on behalf of the Manager.
Offer Period	The period from the date on which the Public Announcement was issued by the Acquirer, i.e., Wednesday, January 31, 2024, and the date on which the payment of consideration to the Public Shareholders 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	An offer price of Rs.20.00/- per Offer Share.
Offer Shares	Open Offer for up to 20,81,950 Equity Share
Offer Size	Open Offer for up to 20,81,950 Equity Shares representing 26.00% of the Expanded Voting Share Capital of the Target Company, aggregating to an amount of Rs.4,16,39,000/-, payable in cash, for which the Acquirer has given this Offer
PA/ Public Announcement	Public Announcement dated Wednesday, January 31, 2024
PAN	Permanent Account Number.
PAT	Profit After Tax.
Promoter Shareholders	The existing promoters of the Target Company, in accordance with the provisions of Regulations 2 (1) (s), and 2 (1) (t) of the SEBI (SAST) Regulations, read with Regulations 2 (1) (oo) and 2 (1) (pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, in this case, namely being Kiran Devi Jain , Vijay Kumar Jain, Santosh Kumar Jain HUF and Santosh Kumar Jain
Public Shareholders	The equity shareholders of the Target Company other than the Acquirer and other non-promoters' category to whom the Preferential Allotment has been made by the Target Company in compliance with the provisions of Regulation 7(6) of the SEBI (SAST) Regulations
RBI	Reserve Bank of India.
Registrar	Purva Shareregistry (India) Private Limited
Return on Net Worth	Profit After Tax/ Net-Worth.
RTGS	Real Time Gross Settlement.
SCRR	Securities Contract (Regulation) Rules, 1957, as amended.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
Selling Brokers	Respective stockbrokers of all the Public Shareholders who desire to tender their Equity Shares under this Offer.
STCG	Short term capital gains.
Stock Exchange	BSE Limited.
STT	Securities Transaction Tax.
Voting Share Capital	The fully diluted Equity Share Capital and voting share capital of the Target Company as of the 10 <sup>th</sup> (Tenth) working day from the closure of the Tendering Period.
Tendering Period	The period commencing from Friday, March 15, 2024, and ending on Monday, April 01, 2024, both days inclusive.
TRS	Transaction Registration Slip.
Working Day	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, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI (SAST) Regulations unless specified.*

*In this Draft Letter of Offer, any reference to the singular will include the plural and vice-versa.*

## 2. DISCLAIMER CLAUSE

**'IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT, THE SAME HAS BEEN CLEARED, VETTED, OR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SECURITIES AND EXCHANGE BOARD OF INDIA FOR A LIMITED PURPOSE FOR OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, INCLUDING SUBSEQUENT AMENDMENTS THERETO. THIS REQUIREMENT IS TO FACILITATE PUBLIC SHAREHOLDERS OF CONSECUTIVE INVESTMENT AND TRADING COMPANY LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THIS OFFER. SECURITIES AND EXCHANGE BOARD OF INDIA DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR FOR THE TARGET COMPANY WHOSE EQUITY SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR THE OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL THE RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER IS EXPECTED TO EXERCISE DUE-DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MONDAY, FEBRUARY 05, 2024, TO SECURITIES AND EXCHANGE BOARD OF INDIA IN ACCORDANCE WITH THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, INCLUDING SUBSEQUENT AMENDMENTS THERETO. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THIS OFFER.'**

### **General Disclaimer**

This Offer Documents in connection with the Offer, have been prepared for the purposes of compliance with the provisions of applicable laws and regulations in India, including the SEBI Act and 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. The delivery of Offer Documents, does not under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirer 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 Acquirer is under any obligation 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 Letter of Offer 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 Letter of Offer 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 Draft Letter of Offer and/or the Letter of Offer 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/ its Equity Shares in this Offer in such jurisdiction.

Persons in possession of the Offer Documents 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 THIS OFFER

#### 3.1. Background of the Offer

- 3.1.1. This is a mandatory Offer, being made by the Acquirer, for reclassification of itself, as the promoter of the Target Company in pursuance of and in compliance with the provisions of Regulation 31A (5) of SEBI (LODR) Regulations, read with Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, to the Public Shareholders of the Target Company.
- 3.1.2. Pursuant to Board Meeting dated Tuesday, December 26, 2023, the Target Company had decided to allot 19,35,000 Equity Shares, representing 24.16% of the Expanded Voting Share Capital to the Acquirer, at a Preferential Offer Price of Rs.20.00/-, which had been subsequently approved by the shareholders of the Target Company vide Extra Ordinary General Meeting Dated Wednesday, January 24, 2024.
- 3.1.3. The prime object of this Offer is to acquire substantial Equity Shares and Voting Rights capital accompanied by control over the Target Company. The Acquirer intends to expand the Target Company's business activities by carrying on additional business for commercial reasons and operational efficiencies. The Acquirer reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be carried out, will be in accordance with applicable laws.
- 3.1.4. There is/ are no person acting in concert/s with the Acquirer within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 3.1.5. The Acquirer is making this Offer to acquire up to 20,81,950 Equity Shares, representing 26.00% of Expanded Voting Share Capital of the Target Company, at an offer price of Rs.20.00/- per Equity Share, aggregating to a total consideration of Rs.4,16,39,000.00/-, payable in cash, in accordance with the provisions of Regulation 9 (1) (a) of the SEBI (SAST) Regulations, subject to the terms and conditions set out in the Offer Documents.
- 3.1.6. Except as proposed allottee in preferential issue, there exists no other direct or indirect relationship between the Acquirer, its promoters, directors, shareholders, and the Target Company
- 3.1.7. This Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- 3.1.8. The Acquirer does not have an intention to delist the Target Company from BSE Limited pursuant to this Open Offer. However, the Target Company, has initiated the process of voluntarily delisting its Equity Shares from The Calcutta Stock Exchange Limited.
- 3.1.9. The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the Offer Documents that will be dispatched to the Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.
- 3.1.10. The current and proposed post-Offer shareholding pattern of the Acquirer in the Target Company and the detail of the acquisition is as follows:

Details of Shareholding	Number of Equity Shares	% of the Expanded Equity Share Capital
Shareholding as on the Public Announcement date	Nil	Nil
Shareholding after completion of Preferential Issue	19,35,000	24.16%
Equity Shares acquired between the Public Announcement date and the Detailed Public Statement date	Nil	Nil
Equity Shares proposed to be acquired in the Offer*	20,81,950	26.00%
Post-Offer Shareholding on diluted basis on 10th (tenth) Working Day after closing of Tendering Period*	40,16,950	50.16%

*\*Assuming all the Equity Shares which are offered are accepted in this Offer.*

- 3.1.11. As on date of this Draft Letter of Offer, the Preferential Equity Shares have not been allotted to the Acquirer, due to non-receipt of the In-Principal Approval. On acquisition of the said, Preferential Equity Shares, Acquirer shall endeavour to keep the said Preferential Equity Shares shall be kept in the Share Escrow, and will not be entitled to exercise voting rights, as required under the SEBI (SAST) Regulations, and will be permitted to transfer such Equity Shares to its demat account

and exercise voting rights in relation thereto either after the expiry of the Offer Period or after compliance with requirements specified in Regulation 22(2) of the SEBI (SAST) Regulations, as the case may be.

- 3.1.12. The Promoters have irrevocably agreed to relinquish the management control of the Target Company in favour of the Acquirer, subject to the receipt of all the necessary approvals and the Acquirer completing all the Offer formalities. The Promoters shall declassify themselves from the ‘promoter and promoter group’ category of the Target Company subject to receipt of necessary approvals required in terms of Regulation 31A(10) of the SEBI (LODR) Regulations and the satisfaction of conditions prescribed therein.
- 3.1.13. As per the provisions of Regulations 26 (6) and 26 (7) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to constitute a committee of independent directors who would provide written reasoned recommendation on this Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspaper where the Detailed Public Statement was published.
- 3.1.14. In terms of Regulation 18(2) of the SEBI (SAST) Regulations, the Letter of Offer will be issued within 7 (Seven) Working Days from the date of receipt of SEBI observations on the Draft Letter of Offer.

## 3.2. Details of the proposed Offer

- 3.2.1. This is a mandatory Offer, being made by the Acquirer, for reclassification of itself, as the promoter of the Target Company in pursuance of and in compliance with the provisions of Regulation 31A (5) of SEBI (LODR) Regulations, read with Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, to the Public Shareholders of the Target Company.
- 3.2.2. The Public Announcement was issued on Wednesday, January 31, 2024, by the Manager to the Offer, for and on behalf of the Acquirer. A copy of the said Public Announcement was filed with the Stock Exchanges, and sent to the Target Company, and to SEBI with letters dated Wednesday, January 31, 2024.
- 3.2.3. The Detailed Public Statement dated Thursday, February 01, 2024, which were subsequently published in the following newspapers on Friday, February 02, 2024, in accordance with the provisions of Regulation 14 (3) of the SEBI (SAST) Regulations:

Publication	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadweep	Marathi	Mumbai Edition
Duranto Barata	Bengali	Kolkata Edition (being the place of the registered office of the Target Company)

A copy of the said Detailed Public Statement was filed with the Stock Exchanges, and sent to the Target Company, and to SEBI on with letters dated Friday, February 02, 2024.

- 3.2.4. The Detailed Public Statement along with other Offer Documents is/ shall also available and accessible on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), website of BSE at [www.bseindia.com](http://www.bseindia.com), and the website of Manager to the Offer at [www.swarajshares.com](http://www.swarajshares.com).
- 3.2.5. The Acquirer has proposed to acquire from the Public Shareholders up to 20,81,950 Offer Shares, representing 26.00% Equity Shares of the Expanded Voting Share Capital of the Target Company at a price of Rs.20.00/- per Equity Share, aggregating to an amount of Rs.4,16,39,000.00/- payable in cash, in accordance with the provisions of Regulation 9 (1) (a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the Offer Documents.
- 3.2.6. The Target Company doesn’t have any partly paid-up Equity Shares, and there are no outstanding warrants, or options or similar instrument, which are convertible into Equity Shares at a later stage.
- 3.2.7. The entire 19,35,000 Equity Shares representing 24.16% of the Expanded Voting Share Capital of the Target Company to be allotted in pursuance of exercise of preferential issue to the Acquirer are subject to any lock-in obligations, in accordance with the provisions of Regulation 167 of the SEBI (ICDR) Regulations.

- 3.2.8. Except for the allotment of 19,35,000 Equity Shares representing 24.16% of the Expanded Voting Share Capital of the Target Company, the Acquirer has not acquired any Equity Shares during period of 52 (Fifty-Two) weeks prior to the date of the Public Announcement.
- 3.2.9. Further, the Acquirer has not purchased any Equity Shares from the date of the Public Announcement to the date of this Draft Letter of Offer.
- 3.2.10. The Acquirer will accept all the Equity Shares of the Target Company, that are tendered in valid form in terms of this Offer up to a maximum of 20,81,950 Equity Shares, representing 26.00% of the Expanded Voting Share Capital.
- 3.2.11. Except the Acquirer being the allottee for the preferential issue, the Acquirer is not related in any other manner directly or indirectly to the directors, promoters, Target Company or key employees of the Target Company.
- 3.2.12. The Acquirer has deposited an amount of Rs.1,10,00,000.00/- i.e., more than 25.00% of the total consideration payable in the Offer, assuming full acceptance in the Escrow Account pursuant of this Offer, in compliance with the provisions of Regulation 22 (2) of the SEBI (SAST) Regulations.
- 3.2.13. No competing offer has been received as on date of this Draft Letter of Offer.
- 3.2.14. There is no differential pricing in this Offer.
- 3.2.15. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19 (1) of SEBI (SAST) Regulations.
- 3.2.16. This Offer is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 3.2.17. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of Equity Shares.
- 3.2.18. The Equity Shares will be acquired by the Acquirer free from all liens, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus, and rights offer declared hereafter.
- 3.2.19. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed Swaraj Shares and Securities Private Limited as the Manager to the Offer.
- 3.2.20. As on the date of this Draft Letter of Offer, the Manager does not hold any Equity Shares in the Target Company and is not related to the Acquirer and the Target Company in any manner whatsoever. The Manager declares and undertakes that, they shall not deal on its own account in the Equity Shares during the Offer Period. Further, the Manager confirms that, as on date of this Draft Letter of Offer, there are no directions subsisting or proceedings pending against them under the SEBI Act and the regulations made thereunder, and no other statutory approval is pending.
- 3.2.21. 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 25.00% of the public shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations.
- 3.2.22. Upon completion of this Offer, assuming full acceptances, the Acquirer will hold 40,16,90 Equity Shares, representing 50.16% of the Expanded Voting Share Capital of the Target Company.
- 3.2.23. If the Acquirer acquires Equity Shares of the Target Company during the period of 26 weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Offer Shares have been accepted in the Offer within 60 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 Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, including subsequent amendments thereto, 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.
- 3.2.24. The payment of consideration shall be made to all the Public Shareholders, who have tendered their Equity Shares in acceptance of the Offer within 10 Working Days of the expiry of the Tendering Period. Credit for consideration will be paid to the Public Shareholders who have validly tendered Equity Shares in the Offer by crossed account payee cheques/pay

order/demand drafts/electronic transfer. It is desirable that Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/demand draft/pay order.

### **3.3. Object of the Offer**

3.3.1. The prime object of this Offer is to acquire substantial acquisition of Equity Shares and voting rights accompanied with the change in control and management of the Target Company.

3.3.2. The Acquirer has proposed to continue the business as specified under the object clause of Memorandum of Association of the Target Company and may diversify its business activities in the future with the prior approval of the shareholders. The main purpose of this takeover is to expand the Company's business activities in same or diversified line of business through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.

3.3.3. The Acquirer states that, it does not have any plan to dispose-off or otherwise encumber any significant assets of the Target Company in the succeeding 2 (Two) years from the date of closure of this Offer, except: (a) in the ordinary course of business of the Target Company, and (b) on account of the regulatory approvals or conditions or compliance with any law that is binding on or applicable to the Target company. In the event any substantial asset of the Target Company is to be sold, disposed-off, or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that, it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through a special resolution in terms of Regulation 25 (2) of the SEBI (SAST) Regulations, and subject to the such other provisions of applicable law as may be required.

3.3.4. The Acquirer has reserved the right to streamline or restructure, pledge, or encumber its holding in the Target Company and/ or the operations, assets, liabilities and/ or the businesses of the Target Company through arrangements, reconstructions, restructurings, mergers, demergers, sale of assets, or undertakings and/ or re-negotiation or termination of the existing contractual or operating arrangements, later in accordance with the relevant applicable laws. Such decisions will be taken in accordance with the procedures set out under the relevant applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances, from time to time.

The Acquirer will acquire control over the Target Company and shall become the new promoter of the Target Company, subject to compliance with conditions specified in Regulation 31A of the SEBI (LODR) Regulations.

3.3.5. The Promoters have irrevocably agreed to relinquish the management control of the Target Company in favour of the Acquirer, subject to the receipt of all the necessary approvals and the Acquirer completing all the Offer formalities. The Promoters shall declassify themselves from the 'promoter and promoter group' category of the Target Company subject to receipt of necessary approvals required in terms of Regulation 31A(10) of the SEBI (LODR) Regulations and the satisfaction of conditions prescribed therein.

#### 4. BACKGROUND OF THE ACQUIRER - BIRFORD ENTERPRISES PRIVATE LIMITED

- 4.1. M/s Birford Enterprises Private Limited, a Company incorporated on Saturday, January 30, 2021, under the provisions of the Companies Act, 2013, bearing Company identification number 'U51909GJ2021PTC119847', bearing Permanent Account Number 'AAJCB5982E' under the Income Tax Act, 1961 having its registered office located at 3rd Floor, Chinubhai House, 7-B Amrut Bag Colony, Opp Stadium, NR Hindu Colony, Navrangpura, Ahmedabad, Ahmedabad, Gujarat, India, 380014 with contact number being '+91-8824604775' and email address being birfordoffice2023@gmail.com. There has been no change in the name of the Acquirer since its incorporation.
- 4.2. The main object of the Acquirer is to carry on the business of doing wholesale trading and dealers of all foods from agriculture products and marker, trade, import, export, sell and carry on the business of, preservers, preservable products of vegetables, fruits, herbs, flowers, medicines, drinks, fluids and other eatables and to carry on in India and elsewhere all kinds of agriculture and other allied activities and also to establish, develop, promote and aid in India and elsewhere business and industries connected with agriculture and other allied activities.
- 4.3. The information pertaining to the Directors of the Acquirer, is specified as below:

Sr. No.	Name of the Director	DIN	Date of initial appointment	Designation	Qualification	Experience	Total value of shares
a.	Mr. Siddesh Arora	09772340	Friday, October 21, 2022	Director	Under Graduate	Mr Siddesh Arora is well experienced as an entrepreneur in diverse business segments and industries. He has more than 8 years of experience in Agro related products, Accounts, finance & Admin. He is the director of Binstrex Multibiz Private Limited.	Rs.2,50,00,000
b.	Mr. Raju Mahavar	09772386	Friday, October 21, 2022	Director	Under Graduate	Mr. Raju Mahavar is having more than 10 years of experience in Agro related product	Rs.2,50,00,000
c.	Mr. Sachinkumar Laxmanji Thakor	10318101	Saturday, January 27, 2024	Director	Under Graduate	Mr. Sachinkumar Laxmanji Thakor is having more than 1 year of experience in marketing and accounts related activities. He is the director of Sajm Global Impex Private Limited and	Nil

Sr. No.	Name of the Director	DIN	Date of initial appointment	Designation	Qualification	Experience	Total value of shares
						Niettrade Prime Private Limited.	
<b>Total value of Shares</b>							<b>Rs.5,00,00,000.00/-</b>
							-

4.4. The summary financial information of the Acquirer as on December 29, 2023 [Unaudited and Certified], for the financial year ended March 31, 2023, and for the financial year ended March 31, 2022, based on audited financial statements, as at and for the financial year ended March 31, 2023, based on the available audited standalone financial statements is given below:

<b>Profit and Loss Statement</b>			
(Amount in Lakhs Except Equity Share Data)			
Particulars	As on December 29, 2023 (Unaudited and Certified)	Audited Financial Statements for the Financial Year ending March 31	
		2023	2022
Income from Operations	2352.31	2144.32	3311.43
Other Income	0.00	0.00	0.00
<b>Total Income</b>	<b>2352.31</b>	<b>2144.32</b>	<b>3311.43</b>
<b>Total Expenditure excluding Interest, Depreciation and Tax</b>	<b>2339.80</b>	<b>2138.87</b>	<b>3309.14</b>
<b>Profit/ (Loss) before Interest, Depreciation and Tax</b>	<b>12.51</b>	<b>5.45</b>	<b>2.29</b>
Depreciation & Amortization Expenses	0.00	0.00	0.00
Interest	0.00	0.00	0.00
<b>Profit/ (Loss) before Tax</b>	<b>12.51</b>	<b>5.45</b>	<b>2.29</b>
Add: Exceptional Items	0.00	0.00	0.24
Less: Current Tax	0.00	0.00	0.00
Deferred Tax	0.00	0.00	0.00
Taxes for earlier period	0.00	0.00	0.00
<b>Profit/ (Loss) After tax</b>	<b>12.51</b>	<b>5.45</b>	<b>2.05</b>

<b>Balance Sheet</b>			
(Amount in Lakhs Except Equity Share Data)			
Particulars	As on December 29, 2023 (Unaudited and Certified)	Audited Financial Statements for the Financial Year ending March 31	
		2023	2022
<b>Equity And Liabilities</b>			
<b>Shareholder's Fund</b>			
Share Capital	500.00	1.00	1.00
Reserve and Surplus	17.67	5.16	0.95
<b>Current Liabilities</b>			
Short Term Borrowings	0.00	0.00	0.00
Trade Payables			
1) Total outstanding dues of MSME	0.00	0.00	0.00
2) Total outstanding dues of creditors other than MSME	1658.28	1798.88	4066.25
Other Current Liabilities	0.34	0.34	0.00
Short Term Provision	1.18	1.18	4.34
<b>Total</b>	<b>2177.47</b>	<b>1806.56</b>	<b>4072.54</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant, Equipment & Intangible assets	0.00	0.00	0.00
Non-Current Investments	0.00	0.00	0.00
Deferred Tax Asset (Net)	0.00	0.00	0.00
Other Non-Current Assets	0.00	0.00	0.00



<b>Balance Sheet</b>			
<i>(Amount in Lakhs Except Equity Share Data)</i>			
<b>Particulars</b>	<b>As on December 29, 2023 (Unaudited and Certified)</b>	<b>Audited Financial Statements for the Financial Year ending March 31</b>	
		<b>2023</b>	<b>2022</b>
<b>Current Assets</b>			
Trade Receivables	658.31	306.00	2429.38
Cash and Bank Balance	500.40	3.89	1.34
Short term loans and advances	0.00	0.00	0.00
Other Current Assets	991.76	1496.34	1641.83
<b>Total</b>	<b>2177.47</b>	<b>1806.56</b>	<b>4072.54</b>

<b>Other Financial Data</b>				
<i>(Amount in Lakhs Except Equity Share Data)</i>				
<b>Particulars</b>	<b>For the period December 29, 2023*</b>	<b>Audited Financial Statements for the Financial Year ending March 31</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
Total Income	16.15	21.21	17.93	17.83
Net Earnings or Profit/(Loss) after tax	(19.07)	9.92	10.12	9.80
Earnings per Share (EPS)	(0.63)	0.33	0.34	0.33
Net Worth	480.08	499.15	489.89	477.27

*\*Not annualized*

- 4.5. The Net Worth of the Acquirer as on Friday, December 29, 2023 is Rs.517.67 Lakhs as certified bearing unique document identification number '24181196BKDGQHS244' on Wednesday, January 31, 2024 ,by Chartered Accountant, Aakash P. Soni bearing membership number '181196' of M/s Soni Aakash and Co., Chartered Accountants bearing firm registration number '146070W' having their head office located at 302, Abhiraj, 68-B Swastik Co-operative Society, Opposite Femina Tower, C. G. Road, Ahmedabad - 380009 , Gujarat, India with contact details being +91-8469111903', Email Address being 'caaakashsoni.11195@gmail.com', has certified that sufficient resources are available with the Acquirer for fulfilling its Offer obligations in full.
- 4.6. As on date of this Draft Letter of Offer, Acquirer, its Directors, Promoters and Shareholders have confirmed, warranted, undertaken that:
- 4.6.1. Pursuant to Board Meeting dated Tuesday, December 26, 2023, the Target Company had decided to allot 19,35,000 Equity Shares, representing 24.16% of the Expanded Voting Share Capital to the Acquirer, at a Preferential Offer Price of Rs.20.00/-, which had been subsequently approved by the shareholders of the Target Company vide Extra Ordinary General Meeting Dated Wednesday, January 24, 2024. Except as stated above, they do not hold any Equity Shares or Voting Share Capital in the Target Company.
- 4.6.2. They do not belong to any group.
- 4.6.3. They do not form part of the present promoters and promoter group of the Target Company.
- 4.6.4. There are no directors representing itself on the board of the Target Company.
- 4.6.5. They are not acting in the capacity of a director in any company, or a partner in limited liability partnership.
- 4.6.6. Except the Acquirer being the allottee for the preferential issue, the Acquirer along with directors and shareholders are not related in any other manner directly or indirectly to the directors, promoters, Target Company or key employees of the Target Company.
- 4.6.7. They have not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of SEBI Act or under any other Regulation made under the SEBI Act.

- 4.6.8. They have not been categorized nor are appearing in the 'Wilful Defaulter or a Fraudulent Borrower' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.
- 4.6.9. They have not been declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.6.10. There are no persons acting in concert in relation to this Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 4.6.11. They will not sell the Equity Shares of the Target Company, held, and acquired, if any, during the Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations
- 4.6.12. They have not acquired any Equity Shares from the date of Public Announcement till the date of this Draft Letter of Offer.
- 4.6.13. Pursuant to the consummation of this Offer and subject to compliance with the SEBI (SAST) Regulations, the Acquirer will acquire control over the Target Company and shall become the new promoter of the Target Company, subject to compliance with conditions specified in Regulation 31A of the SEBI (LODR) Regulations.
- 4.6.14. The Acquirer does not have an intention to delist the Target Company from BSE Limited pursuant to this Open Offer. However, the Target Company, has initiated the process of voluntarily delisting its Equity Shares from The Calcutta Stock Exchange Limited.
- 4.6.15. The Equity Shares allotted pursuant to preferential issue to the Acquirer shall be subject to lock-in requirements as specified under the provisions of SEBI (ICDR) Regulations.

**5. BACKGROUND OF THE TARGET COMPANY – CONSECUTIVE INVESTMENTS AND TRADING COMPANY LIMITED**

*(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. The Target Company was incorporated on November 16, 1982, under the provisions of Companies Act, 1956, bearing Corporate Identification Number ‘L67120WB1982PLC035452’ and there has been no change in the name of the Target Company in the last three years. The registered office of the Target Company is situated at 23 Ganesh Chandra Avenue, 3rd Floor, Kolkata - 700001, West Bengal, India, and the contact details of the Target Company, namely being, Email Address ‘info@consecutiveinvestment.com’, contact number is ‘+033-22114457’, and website is www.consecutiveinvestment.com

5.2. The Equity Shares of the Target Company bearing International Securities Identification Number ‘INE187R01011’. The Target Company has already established connectivity with the Depositories.

The Target Company are presently listed on the BSE and CSE. The Equity Shares of the Target Company are listed on BSE Limited bearing Scrip Code is ‘539091’ and Scrip ID is ‘CITL’, and on CSE with the Scrip Code ‘013160’.

5.3. The present Equity Share Capital of the Target Company is as follows:

Sr. No.	Particulars of Equity Share Capital (As approved by the shareholders of the Target Company vide an Extra-Ordinary General Meeting dated Wednesday, January 24, 2023)	Number of Equity Shares	Aggregate Amount of Equity Shares	Expanded Voting Share Capital
1.	Authorized Equity Share capital	1,00,00,000	Rs.10,00,00,000.00/-	100.00%
2.	Issued, subscribed and paid-up Equity Share capital	80,07,500	Rs.8,00,75,000.00/-	100.00%

*Kindly note, since, the Target Company, is yet to obtain the In-Principal Approval for the Preferential Issue, the said information is not yet updated in the Master Data of the Company on Registrar of Companies Portal.*

5.5. As on date of this Draft Letter of Offer, the Target Company doesn’t have:

- Any partly paid-up equity shares.
- Outstanding instruments in warrants, or options or fully or partly convertible debentures/preference shares/ employee stock options, etc., which are convertible into Equity Shares at a later stage;
- Equity Shares which are forfeited or kept in abeyance.
- 50,00,000 Equity Shares approved vide special resolution by the shareholders of the Target Company, in the Extra-Ordinary General Meeting held on Wednesday, January 24, 2024, shall be subject to lock-in as per the provisions of Regulation 167 of SEBI (ICDR) Regulations.
- Outstanding Equity Shares that have been issued but not listed on any stock exchange.

5.4. The Equity Shares of the Target Company are infrequently traded on BSE within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.

5.5. The present Board of Directors of the Target Company are as follows:

Sr. No.	Name	Date of Initial Appointment	Director Identification Number	Designation
1.	Mr. Vijay Kumar Jain	Wednesday, March 31, 2004	01376813	Managing Director
2.	Mr. Himanshu Chinubhai Shah	Thursday, February 01, 2024	07804362	Managing Director
3.	Mr. Smita Murarka	Friday, March 11, 2016	07448865	Non-Executive Non-Independent Director

Sr. No.	Name	Date of Initial Appointment	Director Identification Number	Designation
4.	Mr. Subodh Kumar Jain	Tuesday, July 05, 2016	02564952	Non-Executive Independent Director
5.	Mr. Kanta Bokaria	Thursday, August 12, 2021	09278050	Non-Executive Independent Director

## 5.6. Financial Information

The financial details of the Target Company as per audited financial statement for the period ended Sep 30, 2023, and last 3 (Three) financial year ended March 31, 2023, March 31, 2022, and March 31, 2021, are as follows:

### Profit and Loss Statement

(Amount in Lakhs except Equity Share data)

Particulars	For the period ended September 30, 2023	Audited Financial Statements for the Financial Year ending March 31		
		2023	2022	2021
Income from Operations	-	0.48	1.05	0.96
Other Income	0.16	20.72	16.86	16.86
<b>Total Income</b>	-	<b>21.21</b>	<b>17.92</b>	<b>17.82</b>
<b>Total Expenditure excluding Interest, Depreciation and Tax</b>	<b>3.19</b>	<b>7.70</b>	<b>7.75</b>	<b>7.92</b>
<b>Profit/ (Loss) before Interest, Depreciation and Tax</b>	<b>(3.81)</b>	<b>13.50</b>	<b>10.17</b>	<b>9.9</b>
Depreciation & Amortization Expenses	-	0.25	0.04	0.08
Interest	-	0.008	0.006	0.001
<b>Profit/ (Loss) before Tax</b>	<b>(3.81)</b>	<b>13.24</b>	<b>10.12</b>	<b>9.81</b>
Add: Exceptional Items	-	-	-	-
Less: Current Tax	-	3.43	-	-
Deferred Tax	-	-0.10	0.00	-
Taxes for earlier period	15.26	-	-	-
<b>Profit/ (Loss) After tax</b>	<b>(19.07)</b>	<b>9.92</b>	<b>10.11</b>	<b>9.79</b>

### Balance Sheet

(Amount in Lakhs)

Particulars	For the period ended September 30, 2023	Audited Financial Statements for the Financial Year ending March 31		
		2023	2022	2021
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDER'S FUND</b>				
Share Capital	300.75	300.75	300.75	300.75
Reserve and Surplus	<b>179.33</b>	198.18	188.48	176.52
<b>CURRENT LIABILITIES</b>				
Short term Borrowings	-	-	-	-
Trade Payables				
1) Total outstanding dues of MESE	-	-	-	-
2) Total outstanding dues of creditors other than MESE	0.17	0.5	0.47	
Other Current Liabilities	0.93	0.13	0.12	0.12
Short term Provision	-	-	-	-

Particulars	For the period ended September 30, 2023	Audited Financial Statements for the Financial Year ending March 31		
		2023	2022	2021
<b>TOTAL</b>	<b>481.19</b>	<b>499.56</b>	<b>489.89</b>	<b>477.72</b>
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, Plant, Equipment & Intangible assets	0.04	0.04	0.06	0.11
Non-Current investment	437.71	478.05	453.82	
Deferred Tax Asset (Net)	0.04	0.04	(0.06)	-
Other Non-Current Assets	-	-	-	-
<b>CURRENT ASSETS</b>				
Trade Receivables	-	0.97	1.68	1.30
Cash and Bank Balance	2.29	2.49	1.38	2.32
Short term Loans and advances	-	-	11.17	10.22
Other Current Assets	<b>2.915</b>	18.17	21.73	21.63
<b>TOTAL</b>	<b>481.19</b>	<b>499.56</b>	<b>489.89</b>	<b>477.72</b>

#### Other Financial Information

(Amount in Lakhs except Equity Share data)

Particulars	Unaudited Financial Statement for the	Audited Financial Statements for the Financial Year ending March 31*		
	Half -Yearly Period ended September 30, 2023	2023	2022	2021
Total Revenue	16.15	21.21	17.93	17.83
Net Earnings or Profit/(Loss) after tax	(19.07)	9.92	10.12	9.80
Earnings per Share (EPS)	(0.63)	0.33	0.34	0.33
Net Worth	480.08	499.15	489.89	477.27

- 5.7. The Target Company, its Promoters, are not declared as “Fugitive Economic Offenders” under Section 12 of the Fugitive Economic Offenders Act, 2018 nor have they been categorized nor are appearing in the “Wilful Defaulter or Fraudulent Borrower” list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by SEBI Except as stated below:

Category	Competent authority	Regulatory charges	Regulatory actions/ date of order	Further development/ remark
Kiran Devi Jain Promoter	Banks	Wilful defaulter	Suit Filed- Rs.1,08,37,000 Along With other Entities/Persons State Bank of India 30-Sep-2016	Not Appearing in the List for The Quarter Ended 31-December-2016

Source: watchoutinvestors.com

- 5.8. Except as stated below, the Target Company has complied with all the requirements of the SEBI (LODR) Regulations, as on date, and no penal/ punitive actions have been taken by the Stock Exchanges in the preceding 8 (Eight) Financial Years:

Category	Competent authority	Regulatory charges	Regulatory actions/ date of order	Further development/ remark
Target company	SEBI	Did Not Adhere to SEBI laws/Regulations	Trading in Securities of the Company shifted to Stage VI of Graded Surveillance Measures (GSM) 7/08/2017	BSE vide its Notice No. 20180205-25 Dated 05/02/2018 directed the trading in securities of the Company shall be reverted to the status as it stood prior to issuance of SEBI letter dated August 07, 2017, effective from February 06, 2018

*Source: watchoutinvestors.com*

In addition to the above, the following non-compliances with respect to the Target Company has been observed:

- 5.9. As on date of this Draft Letter of Offer, there are no directions subsisting or proceedings pending against the Target Company and its Key managerial personnel under the SEBI Act and the regulations made thereunder or by any other regulator.
- 5.10. Further, no statutory approvals are pending as on date, however, SEBI may initiate appropriate action for the aforesaid violation in terms of the SEBI (ICDR) Regulations, and provisions of the SEBI Act.
- 5.11. The pre-Offer and post-Offer shareholding of the Target Company (based on the issued, subscribed, and paid-up Equity Share capital and Voting Share Capital), assuming full acceptance under this Offer is as specified below:

Shareholders' Category	Shareholding/voting rights prior to the acquisition and Offer			Shares/voting rights to be acquired through Preferential		Shares/voting rights to be acquired in Offer (assuming		Shareholding /voting rights after Acquisition and Offer	
	(A)			(B)		(C)		(D)	
	No. of Equity Shares	% of Equity Shareholding	% of Expanded Equity Shareholding and Voting Share Capital	No. of Equity Shares	% of Expanded Equity Shareholding and Voting Share Capital	No. of Equity Shares	% of Expanded Equity Shareholding and Voting Share Capital	No. of Equity Shares	% of Expanded Equity Shareholding and Voting Share Capital
<b>1. Promoter and Promoter Group</b>									
<b>a) Existing Promoters</b>									
Kiran Devi Jain	1,89,240	6.29%	2.36%	--	--	--	--	-1,89,240	-2.36%
Vijay Kumar Jain	2,34,675	7.80%	2.93%	--	--	--	--	-2,34,675	-2.93%
Santosh Kumar Jain Huf	1,50,900	5.02%	1.88%	--	--	--	--	-1,50,900	-1.88%
Santosh Kumar Jain	1,24,090	4.13%	1.55%	--	--	--	--	-1,24,090	-1.55%
<b>Total (a)</b>	<b>6,98,905</b>	<b>23.24%</b>	<b>8.73%</b>	--	--	--	--	<b>-6,98,905</b>	<b>-8.73%</b>
<b>b) Promoters other than (a) above#</b>	--	--	--	--	--	--	--	--	--
<b>Total</b>	--	--	--	--	--	--	--	--	--
<b>Total 1 (a+b)</b>	<b>6,98,905</b>	<b>23.24%</b>	<b>8.73%</b>	--	--	--	--	<b>-6,98,905</b>	<b>-8.73%</b>
<b>2. Acquirer</b>									
Birford Enterprises Private Limited	--	--	--	19,35,000	24.16%	20,81,950	26.00%	40,16,950	50.16%
<b>Total 2</b>	--	--	--	<b>19,35,000</b>	<b>24.16%</b>	<b>20,81,950</b>	<b>26.00%</b>	<b>40,16,950</b>	<b>50.16%</b>
<b>3. Parties to Share Purchase Agreement other than 1(a) &amp; 2</b>									
None	--	--	--	--	--	--	--	--	--
<b>4. Public (other than Parties to Agreement and Acquirer) #</b>									
a. FIs/ MFs/ FIIIs/ Banks/ SFIIs (Indicate names)	--	--	--	--	--	--	--	--	--
b. Others	23,08,595	76.76%	28.83%	--	--	-20,81,950	-26.00%	2,26,645	2.83%
c. Considering that, the Promoters declassify themselves from the 'promoter and promoter group' category of the Target Company, and sell their shares	--	--	--	--	--	--	--	6,98,905	8.73%
<b>Total (4) (a+b)</b>	<b>23,08,595</b>	<b>76.76%</b>	<b>28.83%</b>	--	--	<b>-20,81,950</b>	<b>-26.00%</b>	<b>9,25,550</b>	<b>11.56%</b>
<b>GRAND TOTAL (1+ 2+ 3+ 4)</b>	<b>30,07,500</b>	<b>100.00%</b>	<b>37.56%</b>	--	--	--	--	--	--
<b>5. Preferential Issue</b>									
Preferential Issue	50,00,000	Not Applicable	62.44%	-19,35,000	-24.16%	--	--	30,65,000	38.28%
<b>Total (5)</b>	<b>50,00,000</b>	<b>Not Applicable</b>	<b>62.44%</b>	--	--	--	--	<b>30,65,000</b>	<b>38.28%</b>
<b>GRAND TOTAL (1+ 2+ 3+ 4+5)</b>	<b>80,07,500</b>	<b>Not Applicable</b>	<b>100.00%</b>	--	--	--	--	<b>80,07,500</b>	<b>100.00%</b>

**The total voting Equity Share capital of the Target Company on a fully diluted basis expected as of the 10th Working Day from the closure of the Tendering Period for this Offer. This comprises of the existing 30,07,500 Equity Shares of the Target Company, and the Preferential Allotment of 50,00,000 Equity Shares by the Target Company, aggregating to 80,07,500 Equity Shares of the Target Company, have been considered.**

**Notes:**

- i. Kindly note, the Target Company has wrongly classified Vijay Kumar Jain's shareholding of 50,000 Equity Shares representing 0.62% of the Expanded Voting Share Capital of the Target Company in the shareholding pattern of the public category, and hence, whilst calculating his holding, the said has been aggregated with his holding as disclosed under the promoter category of 1,84,675 Equity Shares representing 2.93% of the Expanded Voting Share Capital of the Target Company, to 2,34,675 Equity Shares representing to 2.93% of the Expanded Voting Share Capital of the Target Company

- ii. *There are 567 Public Shareholders as per the shareholding pattern with BSE filed for the quarter ending December 2023.*
- iii. *As on date of this Draft Letter of Offer, none of the Equity Shares are subject to lock-in. However, 50,00,000 Equity Shares representing 62.44% Expanded Voting Share Capital of the Target Company, as approved vide special resolution by the shareholders of the Target Company, in the Extra-Ordinary General Meeting held on Wednesday, January 24, 2024, shall be subject to lock-in as per the provisions of Regulation 167 of SEBI (ICDR) Regulations.*
- iv. *This is a Mandatory Offer, being made by the Acquirer, for reclassification of itself, as the promoter of the Target Company in pursuance of and in compliance with the provisions of Regulation 31A (5) of SEBI (LODR) Regulations, read with Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, to the Public Shareholders of the Target Company.*



## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of the Offer Price

6.1.1. The Equity Shares bearing ISIN 'INE187R01011' are presently listed on BSE bearing Scrip ID 'CITL', and Scrip Code '539091', an on CSE bearing the Scrip Code '013160'. The Target Company has already established connectivity with the Depositories.

6.1.2. The trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the 12 (twelve) calendar months prior to the month of Public Announcement (January 01, 2024, to December 31, 2023) have been obtained from [www.bseindia.com](http://www.bseindia.com), as given below:

Stock Exchange	Total no. of Pre-Preferential Issue Equity Shares traded during the 12 (twelve) calendar months prior to the month of the Public Announcement	Total no. of Pre-Preferential Issue listed Equity Shares	Trading turnover (as % of shares listed)
BSE	157	30,07,500	NA

Note: No trading was executed on CSE.

Based on the information provided above, the Equity Shares of the Target Company are frequently traded on the BSE within the meaning of explanation provided in regulation 2(1)(j) of the SEBI (SAST) Regulations.

6.1.3. The Offer Price of Rs.20/- (Rupees Twenty Only) has been determined considering the parameters as set out under Regulations 8 (1) and 8 (2) of the SEBI (SAST) Regulations, being highest of the following:

Sr. No.	Particulars	Price
a)	Negotiated Price under the Share Purchase Agreement attracting the obligations to make a Public Announcement for the Offer	Not Applicable
b)	The volume-weighted average price paid or payable for acquisition(s) by the Acquirer, during the 52 (Fifty-Two) weeks immediately preceding the date of Public Announcement	Not Applicable
c)	The highest price paid or payable for any acquisition by the Acquirer, during the 26 (Twenty-Six) weeks immediately preceding the date of Public Announcement <i>(Pursuant to Board Meeting dated Tuesday, December 26, 2023, the Target Company had decided to allot 19,35,000 Equity Shares, representing 24.16% of the Expanded Voting Share Capital to the Acquirer, at a Preferential Offer Price of Rs.20.00/-, which had been subsequently approved by the shareholders of the Target Company vide Extra Ordinary General Meeting Dated Wednesday, January 24, 2024.)</i>	Rs.20.00/-
d)	The volume-weighted average market price of Equity Shares for a period of 60 (Sixty) trading days immediately preceding the date of Public Announcement as traded on BSE where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period, provided such shares are frequently traded	Not Applicable
e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager considering valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of Equity Shares	Re.1.66/-
f)	The per equity share value computed under Regulation 8(5) of SEBI (SAST) Regulations, if applicable	Not Applicable, since this is not an indirect acquisition of Equity Shares

\*Cost Accountant, Mr. Suman Kumar Verma, bearing Membership number '28453', IBBI Registered Valuer Registration number 'IBBI/RV/05/2019/12376' and having his office at Lane No. 10, Indra Park, Palam Colony, New Delhi - 110045 with the Email address being 'ipskverma@gmail.com', through his valuation report dated Wednesday, January 24, 2024, has certified that the fair value of the Equity Share of Target Company is Re.1.66/- per Equity Share.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manger to the Offer the Offer Price of Rs.20.00/- per Equity Share being the highest of the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations and is payable in cash.

- 6.1.4. Based on the information available on the website of BSE, there have been no corporate actions undertaken by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be adjusted in the event of any corporate actions like bonus, rights issue, stock split, consolidation, dividend, demergers, reduction, etc. where the record date for effecting such corporate actions falls between the date of this Detailed Public Statement up to 3 (Three) Working Days prior to the commencement of the Tendering Period, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.5. There has been no revision in the Offer Price or to the size of this Offer as on the date of this Detailed Public Statement. In case of any revision in the Offer Price or Offer Size, the Acquirer would comply with Regulation 18 and all other applicable provisions of SEBI (SAST) Regulations.
- 6.1.6. An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 1 (One) Working Day before the commencement of the Tendering Period in accordance with the provisions of Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding increases to the escrow amounts, as more particularly set out in Paragraph V (E) of this Detailed Public Statement; (ii) make a public announcement in the Newspapers; and (iii) simultaneously with the issue of such announcement, inform SEBI, Stock Exchanges, and the Target Company at its registered office of such revision. However, no adjustment shall be made for dividend with a record date falling during such period except where the dividend per share more than 50.00% percent is higher than the average of the dividend per Equity Share paid during the 3 financial years preceding the date of Public Announcement
- 6.1.7. In the event of acquisition of the Equity Shares by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (a) make corresponding increases to the Escrow Amount; (b) make a public announcement in the Newspapers; and (c) simultaneously with the issue of such public announcement, inform SEBI, Stock Exchanges, and the Target Company at its registered office of such revision. However, the Acquirer shall not acquire any Equity Shares after the 3<sup>rd</sup> Working Day prior to the commencement of the Tendering Period of this Offer and until the expiry of the Tendering Period of this Offer.
- 6.1.8. If the Acquirer acquire Equity Shares of the Target Company during the period of 26 weeks after the Tendering Period at a price higher than the Offer Price, the Acquirer will pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Equity Shares have been accepted in the Offer within 60 days from the date of such acquisition. However, no such difference shall be paid if such acquisition is made under another Open Offer under SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.

## 6.2. Financial Arrangements

- 6.2.1 In terms of Regulation 25(1) of the SEBI (SAST) Regulations, 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. The Net Worth of the Acquirer as on Friday, December 29, 2023 is Rs.517.67 Lakhs as certified bearing unique document identification number '24181196BKDGQHS244' on Wednesday, January 31, 2024 ,by Chartered Accountant, Aakash P. Soni bearing membership number '181196' of M/s Soni Aakash and Co., Chartered Accountants bearing firm registration number '146070W' having their head office located at 302, Abhiraj, 68-B Swastik Co-operative Society, Opposite Femina Tower, C. G. Road, Ahmedabad - 380009 , Gujarat, India with contact details being +91-8469111903', Email Address being 'caaakashsoni.11195@gmail.com', has certified that sufficient resources are available with the Acquirer for fulfilling its Offer obligations in full.
- 6.2.2 The maximum consideration payable by the Acquirer to acquire up to 20,81,950 Offer Shares, representing 26.00% of the Expanded Voting Share Capital of the Target Company at the Offer Price of Rs.20.00/- per Offer Share, assuming full acceptance of the Offer aggregating to an amount of Rs.4,16,39,000.00/-, payable in cash. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account under the name and style of 'BEPL – OPEN OFFER ESCROW ACCOUNT' and 'BEPL – OPEN OFFER SPECIAL ACCOUNT' with Axis Bank Limited and

has made Cash Deposit of Rs.1,10,00,000.00/- (i.e. more than 25.00% of the total consideration payable in the Offer), assuming full acceptance.

- 6.2.3 The Manager is duly authorized to operate the Escrow Account to the exclusion of all others and has been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.4 The Acquirer has confirmed that it has, and they will continue to have, and maintain sufficient means and firm arrangements to enable compliance with payment obligations under the Open Offer.
- 6.2.5 In case of upward revision of the Offer Price and/or the Offer Size, the Acquirer would deposit appropriate additional amount into an Escrow Account to ensure compliance with Regulation 18(5) of the SEBI (SAST) Regulations, prior to effecting such revision.
- 6.2.6 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager is satisfied about the ability of the Acquirer to fulfill its obligations in respect of this Offer in accordance with the provisions of SEBI (SAST) Regulations.

## 7. TERMS AND CONDITIONS OF THE OFFER

- 7.1. The Offer is being made by the Acquirer 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 Letter of Offer will be mailed to all those Public Shareholders of the Target Company whose names appear on the Register of Members and to the beneficial owners of the Equity Shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on Thursday, February 29, 2024.
- 7.2. The Acquirer is making this Offer to all Public Shareholders to acquire up to 20,81,950, representing 26.00% of the Expanded Voting Share Capital of the Target Company, subject to terms and conditions mentioned in this Draft Letter of Offer, and other Offer Documents.
- 7.3. In terms of the indicative schedule of major activities, the Tendering Period for the Open Offer is expected to commence on Friday, March 15, 2024 and close on Monday, April 01, 2024.
- 7.4. The Public Shareholders who tender their Equity Shares in this Offer shall ensure that they have good and valid title on the Offer Shares. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests, and encumbrances and shall be tendered together with all rights attaching thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.
- 7.5. This Offer is not conditional upon any minimum level of acceptance.
- 7.6. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations
- 7.7. The marketable lot for the Equity Shares for the purpose of this Open Offer shall be 1 (One). Public Shareholders can participate in the Offer by offering their shareholding in whole or in part.
- 7.8. All the Equity Shares validly tendered under this Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in this Draft Letter of Offer, and other Offer Documents, to the extent of the Offer Size. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the 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.
- 7.9. Accidental omission to dispatch the Letter of Offer or the non-receipt or delayed receipt of the Letter of Offer will not invalidate this Offer in anyway.
- 7.10. In terms of the provisions of Regulation 18 (9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in this Offer shall not be entitled to withdraw such acceptance.
- 7.11. The Acquirer's the right to revise the Offer Price and/or the number of Offer Shares upwards at any time prior to the commencement of 1 Working Day prior to the commencement of the Tendering Period, i.e., up to Thursday, March 14, 2024, in accordance with the SEBI (SAST) Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer shall (i) make a corresponding increase to the escrow amount, (ii) make an announcement in the Newspapers, and (iii) simultaneously notify Stock Exchanges, SEBI and the Target Company at its registered office. In case of any revision of the Offer Price, the Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the Letter of Offer.
- 7.12. The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer. The Public Shareholders can write to the Registrar to the Offer/ Manager to the Offer requesting for the Letter of Offer along with the Form of Acceptance. Alternatively, the Letter of Offer along with the Form of Acceptance will also be available at SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)), and the Public Shareholders can also apply by downloading such forms from the website.

7.13. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected.

**7.14. Locked-in Shares**

None of the Equity Shares of the Target Company are subject to lock-in.

However, 50,00,000 Equity Shares representing 62.44% Expanded Voting Share Capital of the Target Company, as approved vide special resolution by the shareholders of the Target Company, in the Extra-Ordinary General Meeting held on Wednesday, January 24, 2024, shall be subject to lock-in as per the provisions of Regulation 167 of SEBI (ICDR) Regulations.

The locked-in Equity Shares, if any, may be tendered in the Open Offer and transferred to the Acquirer subject to the continuation of the residual lock-in period in the hands of the Acquirer, as may be permitted under applicable law. The Manager to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares

**7.15. Eligibility for accepting the Offer**

7.15.1. All Public Shareholders registered or unregistered, who hold Equity Shares at any time before the Offer Closing Date are eligible to tender such Equity Shares in this Offer (subject to the approvals that they may need to obtain as stated in Paragraph 7.16 (Statutory and Other Approvals) of this Draft Letter of Offer).

7.15.2. The acceptance of this Offer by Public Shareholders must be absolute and unqualified. Any acceptance of this Open Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

7.15.3. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected. Accidental omission to send Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way.

7.15.4. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company

7.15.5. The Letter of Offer shall be mailed to all the Public Shareholders and/or beneficial owners holding Equity Shares in dematerialized form whose names appear in register of Target Company as on Thursday, February 29, 2024, the Identified Date.

7.15.6. The Acquirer have appointed M/s Purva Sharegistry (India) Private Limited, as the Registrar, having office at Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400 011, Maharashtra, India, bearing contact details such as contact number '022-2301-2518/8261', Email Address 'support@purvashare.com' and website 'www.purvashare.com'. The Contact Person Ms. Deepali Dhuri can be contacted from 10:00 a.m. (Indian Standard Time) to 5:00 p.m. (Indian Standard Time) on working days (except Saturdays, Sundays and all public holidays), during the Tendering Period.

7.15.7. The Offer Documents will also be available and accessible on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), BSE at [www.bseindia.com](http://www.bseindia.com) and Manager to the offer at [www.swarajshares.com](http://www.swarajshares.com). In case of non-receipt of the Letter of Offer, all Public Shareholders including unregistered Public Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the website of SEBI for applying in this Offer.

7.15.8. Unregistered Public Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Public Shareholders.

7.15.9. The Acquirer, Manager to the Offer, or the Registrar accept no responsibility for any loss of Equity Share certificates, Offer Acceptance Forms, and Share Transfer Deed, etc., during transit and the Public Shareholders of Target Company are advised to adequately safeguard their interest in this regard.

- 7.15.10. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 7.15.11. The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of this Offer.
- 7.15.12. All Public Shareholders, (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required 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. 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 Offer Shares held by them, 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 Offer Shares.

#### **7.16. Statutory Approvals and conditions of the Offer**

- 7.16.1. As of the date of this Detailed Public Statement, to the knowledge of the Acquirer, there are no statutory approvals required to complete this Offer. However, in case of any such statutory approvals are required by the Acquirer at a later date before the expiry of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals.
- 7.16.2. All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the Reserve Bank of India) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the Reserve Bank of India, 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 Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.
- 7.16.3. The Acquirer shall complete all procedures relating to payment of consideration under this Offer within a period of 10 Working Days from the date of expiry of the Tendering Period to those Public Shareholders who have tendered Equity Shares and are found valid and are accepted for acquisition by the Acquirer.
- 7.16.4. 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 wilful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agrees to pay interest to the Public Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
- 7.16.5. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if the approvals mentioned in Section VI (A) are not satisfactorily complied with or any of the statutory approvals are refused, the Acquirer has a right to withdraw the Offer. In the event of withdrawal, the Acquirer (through the Manager), shall within 2 (two) Working Days of such withdrawal, make an announcement stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, in the same newspapers in which the Detailed Public Statement was published, and such announcement will also be sent to SEBI, BSE's, and the Target Company at its registered office.
- 7.16.6. By agreeing to participate in this Offer (i) the holders of the Equity Shares who are persons resident in India and the (ii) the holders of the Equity Shares who are persons resident outside India (including NRIs, OCBs and FPIs) give the Acquirer the authority to make, sign, execute, deliver, acknowledge and perform all actions to file applications and regulatory reporting, if required, including Form FC-TRS, if necessary and undertake to provide assistance to the Acquirer for such regulatory filings, if required by the Acquirer.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1. This Offer will be implemented by the Acquirer, through stock exchange mechanism as provided under the SEBI (SAST) Regulations and the SEBI circulars bearing reference number 'CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015', 'CFD/DCR2/CIR/P/2016/131 dated December 09, 2016' and 'SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021' and on such terms and conditions as may be permitted by law from time to time.
- 8.2. BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in this Offer.
- 8.3. The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to this Offer shall be available on the BSE, in the form of a separate window ('**Acquisition Window**').
- 8.4. The Letter of Offer and Form of Acceptance will be sent to the Public Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective Depositories, as of the close of business on the Identified Date.
- 8.5. The Public Announcement, the Detailed Public Statement, this Draft Letter of Offer, Letter of Offer and Form of Acceptance would also be available on SEBI website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer and Form of Acceptance, all the Public Shareholders, including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the same from the aforesaid website 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.
- 8.6. All the Public Shareholders who desire to tender their Equity Shares under this Offer would have to approach their respective stockbrokers ('**Selling Broker**'), during the normal trading hours of the secondary market during the Tendering Period. The Buying Broker or an affiliate may also act as Selling Broker for Public Shareholders.
- 8.7. For implementation of this Offer, the Acquirer have appointed Nikunj Stock Brokers Limited ('**Buying Broker**') through whom the purchases and settlements on account of this Offer would be made by the Acquirer. The contact details of the Buying Broker are as follows:

<b>Name</b>	Nikunj Stock Brokers Limited
<b>Address</b>	A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110007
<b>Contact Number</b>	+91-011-47030017 -18
<b>E-mail Address</b>	complianceofficer@nikunjonline.com
<b>Contact Person</b>	Mr. Pramod Kumar Sultania
<b>SEBI Registration</b>	INZ000169335

- 8.8. The Acquisition Window provided by the BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized Equity Shares only.
- 8.9. The Selling Broker can enter orders for physical and dematerialized Equity Shares. The cumulative quantity tendered shall be displayed on the BSE's website throughout the trading session at specific intervals by the BSE during Tendering Period.
- 8.10. Modification/cancellation of orders will not be allowed during the Tendering Period.
- 8.11. The Public Shareholders can tender their Equity Shares only through Selling Broker(s) with whom such shareholder is registered as client (and has complied with the relevant 'Know Your Client' procedures and guidelines) The Public Shareholders can tender their Equity Shares only through Selling Broker(s) with whom such shareholder is registered as client (and has complied with the relevant 'Know Your Client' procedures and guidelines).
- 8.12. Public Shareholders have to ensure that their Equity Shares are made available to their seller brokers in order to mark the lien before the closure of the Tendering Period. 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.
- 8.13. In the event the Selling Broker is not registered with BSE or if the Public Shareholder does not have any stockbroker, then that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code facility through that registered stock broker after submitting the details as may be required by the stock broker to be

in compliance with applicable law and regulations. In case a Public Shareholder is not able to bid using quick unique client code facility through any BSE registered stockbroker, then the Public Shareholder may approach the Buyer Broker, to tender Equity Shares by using the quick unique client code facility of the Buying Broker or an affiliate. The Public Shareholders approaching BSE registered stockbroker (with whom he does not have an account) may have to submit following details:

In case of Shareholder being an	Forms Required if registered with KYC Registration Agency	Forms Required if not registered with KYC Registration Agency
<b>Individual</b>	(i) Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable (ii) Know Your Client (KYC) form Documents required (all documents self-attested): (iii) Bank details (cancelled cheque) (iv) Demat details (Demat Master /Latest Demat statement)	(i) CKYC form including FATCA, IPV, OSV if applicable (ii) KRA form (iii) KYC form Documents required (all documents self-attested): a) PAN card copy b) Address proof c) Bank details (cancelled cheque) (iv) Demat details (Demat master /Latest Demat statement)
<b>HUF</b>	(i) CKYC form of the 'KARTA', including FATCA, IPV, OSV if applicable. (ii) KYC form and the supporting documents required (all documents self-attested) including bank account details (cancelled cheque). (iii) DP details where the Equity Shares are deposited (Demat master/latest Demat statement), assuming the Equity Shares are in dematerialized mode.	(i) CKYC form of the 'KARTA' including FATCA, IPV, OSV if applicable. (ii) KRA form. (iii) KYC form and the following supporting documents (all such documents are required to be self-attested): PAN card copy of HUF & KARTA, address proof of HUF & KARTA, HUF declaration, bank account details (cancelled cheque). (iv) DP details where the Equity Shares are deposited (Demat master/latest Demat statement), assuming the Equity Shares are in dematerialized mode. It may be noted that other than submission of above forms and documents, in person verification may be required.
<b>being other than Individual and HUF</b>	(i) KYC form and the supporting documents (all such documents are required to be self-attested) including bank account details (cancelled cheque). (ii) DP details where the Equity Shares are deposited (Demat master/latest Demat statement), assuming the Equity Shares are in dematerialized mode. (iii) FATCA, IPV, OSV if applicable. (iv) Latest list of directors / authorized signatories / partners / trustees. (v) Latest shareholding pattern. (vi) Board resolution. (vii) Details of ultimate beneficial owner along with PAN card and address proof. (viii) Last 2 years' financial statements.	(i) KRA form. (ii) KYC form and the supporting documents (all such documents are required to be self-attested): PAN card copy of company/firm/trust, address proof of company/firm/trust and bank account details (cancelled cheque). (iii) DP details where the Equity Shares are deposited (Demat master/latest Demat statement), assuming the Equity Shares are in dematerialized mode. (iv) FATCA, IPV, OSV if applicable. (v) Latest list of directors/authorized signatories/partners/trustees. (vi) PAN card copies & address proof of directors/authorized signatories/partners/trustees. (vii) Latest shareholding pattern. (viii) Board resolution / partnership declaration. (ix) Details of ultimate beneficial owner along with PAN card and address proof. (x) Last 2 years' financial statements. (xi) Memorandum of association/partnership deed/trust deed.



#### 8.14. Procedure for Equity Shares held in physical form.

8.14.1. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI's press release bearing no. 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/ CMD1/CIR/P/2020/144 dated July 31, 2020 and Frequently Asked Questions issued by SEBI, "FAQs - Tendering of physical shares in buyback offer/open offer/exit offer/delisting" dated February 20, 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.

8.14.2. The procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below:

8.14.2.1. Public Shareholders who are holding physical Equity Shares and intend to participate in the Open 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:

- (a) original share certificate(s),
- (b) valid share transfer form(s) (Form SH-4) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company,
- (c) self-attested copy of the shareholder's PAN Card (in case of joint holders, PAN card copy of all transferors, and
- (d) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.

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 Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents:

- (a) valid Aadhar card,
- (b) voter identity card, or passport.

8.14.2.2. Based on these documents, the Selling Broker shall place the bid on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of the Stock Exchanges. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip ("TRS") generated by the Stock Exchange bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, certificate number, distinctive number of Equity Shares tendered etc.

8.14.2.3. The Selling Broker / Public Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer i.e. M/s Purva Shareregistry (India) Private Limited (at the following address: Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400 011) within 2 days of bidding by the Selling Broker i.e. last date for receipt of documents by Registrar is the Offer Closing Date (by 5.00 p.m.(Indian Standard Time)). The envelope should be super scribed as "CITL - Open Offer 2024". 1 copy of the TRS will be retained by the Registrar and it will provide acknowledgement of the same to the Selling Broker/ Public Shareholder

8.14.2.4. The 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. 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'. Physical share certificates and other relevant documents should not be sent to the Acquirer, Target Company or the Manager.

8.14.2.5. All documents as mentioned above, shall be enclosed with the Form of Acceptance, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others:

- (a) If there is any other company's equity share certificate(s) enclosed with the Form of Acceptance instead of the Equity Share certificate(s) of the Target Company;
- (b) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholders;
- (c) If the Public Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s);
- (d) In case the signature on the Form of Acceptance and Form SH-4 does not match as per the specimen signature recorded with Target Company/registrar of the Target Company.

8.14.2.6. In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date.

8.14.2.7. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance.

#### **8.15. Procedure for tendering the Equity Shares held in dematerialized form**

8.15.1. The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker/ Seller Member, indicating details of Equity Shares they wish to tender in this Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.

8.15.2. The Public Shareholders shall submit delivery instruction slip duly filled-in specifying the appropriate market type in relation to the "Open Offer" and execution date along with all other details to their respective Selling Broker so that the shares can be tendered in the Offer.

8.15.3. 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 Offer using the Acquisition Window of the BSE Limited. Before placing the order/bid, the Seller Broker will be required to mark lien on the tendered Equity Shares.

8.15.4. The lien shall be marked by the stock broker(s) in the demat account of the Eligible Shareholder for the shares tendered in Open Offer. Details of shares marked as lien in the demat account of the shareholders shall be provided by the depositories to Indian Clearing Corporation Limited ("Clearing Corporation"). In case, the shareholders demat account is held with one depository and clearing member pool and Clearing Corporation account is held with other depository, shares shall be blocked in the shareholders demat account at source depository during the tendering period. Inter depository tender offer ("IDT") instructions shall be initiated by the eligible shareholders at source depository to clearing member/ Clearing Corporation account at target depository. Source depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target depository to the Clearing Corporation.

8.15.5. For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian. The custodian participant shall either confirm or reject the orders not later than the closing of trading hours (i.e., 3:30 p.m. Indian Standard Time) on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

8.15.6. Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc. On receipt of TRS from the respective Seller Broker, the Public Shareholder has successfully placed the bid in the Offer.

In case of non-receipt of the completed Tender Form and other documents, but lien marked on Equity Shares and a valid bid in the exchange bidding system, the bid by such Public Shareholder shall be deemed to have been accepted.

- 8.15.7. Modification/cancellation of orders will not be allowed during the Tendering Period of the Offer.
- 8.15.8. 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.
- 8.15.9. The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Offer.
- 8.15.10. In case of receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted, for Demat Shareholders.
- 8.15.11. The cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
- 8.15.12. In case any person has submitted Equity Shares in physical form for conversion to Demat, such Public Shareholders should ensure that the process of getting the Equity Shares converted to Demat mode is completed well in time so that they can participate in the Offer before the closure of the Tendering Period.
- 8.15.13. The Public Shareholders holding shares in Demat mode are not required to fill any FOA, unless required by their respective Selling Broker.
- 8.15.14. 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 Demat mode, 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 Letter of Offer. The envelope should be super scribed as "CITL - Open Offer 2024". The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance.
- 8.16. Acceptance of Equity Shares**
- 8.16.1. The Registrar shall provide details of order acceptance to Clearing Corporation within the specified timelines.
- 8.16.2. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer is 1.
- 8.16.3. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.
- 8.17. Procedure for Tendering the Equity Shares in case of Non-Receipt of the Letter Of Offer**
- 8.17.1. 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 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 Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way.
- 8.17.2. A Public Shareholder may participate in this Offer by approaching their broker/ Selling Broker and tender Equity Shares in this Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance.
- 8.17.3. The Letter of Offer along with Form of Acceptance will be sent (through electronic mode or physical mode) to all the Public Shareholders of the Target Company, as appearing in the list of members of the Target Company as on the Identified Date. In case of non-receipt of the Letter of Offer along with Form of Acceptance, such Public Shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)). Such Public Shareholders of the Target Company may also obtain an electronic copy of the Letter of Offer along with Form of Acceptance from the Registrar to the Offer on providing suitable documentary evidence of holding the Equity Shares of the Target Company.

- 8.17.4. Alternatively, in case of non-receipt of the Letter of Offer, the Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered, and other relevant documents as mentioned in Letter of Offer. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Tendering Period.
- 8.17.5. Physical share certificates and other relevant documents should not be sent to the Acquirer, Target Company, or the Manager.
- 8.18. Settlement Process and Payment of Consideration**
- 8.18.1. On closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list shall be provided to the BSE Limited to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- 8.18.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 8.18.3. For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds pay-out to respective Public Shareholders. If the relevant Public Shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI/relevant bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 8.18.4. In case of certain client types viz. NRIs, non-resident clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for onwards releasing the same to their respective Public Shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 8.18.5. For the Public Shareholder(s) holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Broker's settlement bank accounts for releasing the same to the respective Public Shareholder's account.
- 8.18.6. The Public Shareholders holding Equity 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 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.
- 8.18.7. Details in respect of acceptance for Open Offer process will be provided to the Clearing Corporation by the Company or Registrar to the Open Offer. On receipt of the same, Clearing Corporations will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporations.
- 8.18.8. In the case of inter depository, Clearing Corporations will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporations or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Open Offer. Post receiving the IDT message from target depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of Tendering Period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- 8.18.9. The Public Shareholders will have to ensure that they keep the Depository Participant account active and unblocked.
- 8.18.10. The direct credit of Equity Shares shall be given to the Demat account of the Acquirer as indicated by the Buying Broker.
- 8.18.11. In the event of any rejection of transfer to the Demat account of the Public Shareholder for any reason, the Demat Equity Shares shall be released to the securities pool account of their respective Selling Broker, and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

- 8.18.12. 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.
- 8.18.13. Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by registered post back to the Public Shareholder(s) directly by Registrar to the Offer. 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.
- 8.18.14. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the 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.
- 8.18.15. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these Equity Shares are not received together with the Equity Shares tended under the Offer.
- 8.18.16. Buying Brokers would also issue a contract note to the Acquirer for the Equity Shares accepted under the Offer.
- 8.18.17. Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number to 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.
- 8.18.18. The Acquirer intend to complete all formalities, including the payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer, within a period of 10 Working Days from the closure of the Tendering Period, and for this purpose, open a special account as provided under Regulation 21(1) of the SEBI (SAST) Regulations.

## 9. NOTE ON TAXATION

### 9.1. General

- 9.1.1. Securities transaction tax will not be applicable to the Equity Shares accepted in this Offer.
- 9.1.2. 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/her 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 is deemed to accrue or arise in India) as also income received by such person in India. In case of shares of a company, the source of income from shares will depend on the 'situs' of such shares. As per judicial precedents, the 'situs' of the shares is where a company is 'incorporated' and where its shares can be transferred.
- 9.1.3. 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 the IT Act.
- 9.1.4. Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ('DTAA') between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument ('MLI') as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of General Anti-Avoidance Rule ('GAAR') and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- 9.1.5. The IT Act also provides for different income-tax regimes/rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- 9.1.6. The Public 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.
- 9.1.7. The summary of income-tax implications on tendering of listed equity shares is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

### 9.2. Classification of Shareholders: Public Shareholders can be classified under the following categories:

#### a) Resident Shareholders being:

- Individuals, Hindu Undivided Family ('HUF'), Association of Persons ('AOP') and Body of Individuals ('BOI')
- Others:
  - (i) Company
  - (ii) Other Than Company

#### b) Non-Resident Shareholders being:

- Non-Resident Indians (NRIs)
- Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
  - (i) Company
  - (ii) Other Than Company

9.3. 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 Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.

#### 9.4. **Taxability of Capital Gains in the hands of shareholders**

9.4.1. Gains arising from the transfer of shares may be treated either as 'capital gains' or as 'business income' for income-tax purposes, unless specifically exempted, depending upon whether such shares were held as a capital asset or trading asset (i.e., stock-in-trade).

9.4.2. As per the current provisions of the IT Act, where the shares are held as investments (i.e., capital assets), 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.

9.4.3. Capital Gains in the hands of shareholders would be computed as per the provisions of Section 48 of the IT Act.

9.4.4. 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 (Twelve) 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 'STCG'.
- b) Similarly, where equity shares are held for a period more than 12 (Twelve) 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 'LTCG'.

9.4.5. The Finance Act, 2018, vide Section 112A, has imposed an income tax on LTCG at the rate of 10% (plus applicable surcharge and health and education cess) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 12 (Twelve) months and have been subject to STT upon both acquisition and sale exceeding Rs. 1,00,000 (Rupees One lakh only) (without any indexation and foreign exchange fluctuation benefits).

9.4.6. As per section 111A of the IT Act, STCG arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (plus applicable surcharge and health and education cess) (except under specific categories).

However, since STT will not be applicable to the Equity Shares transferred in this Offer, the provisions of Section 112A and Section 111A of the IT Act shall not be applicable.

9.4.7. LTCG arising from tendering of Equity Shares in the Offer shall be subject to tax as follows:

- a) LTCG will be chargeable to tax at the rate of up to 20% (plus applicable surcharge and health and education cess) in the case of a non-resident Public Shareholder (other than an FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
- b) In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
- 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 health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost may not be available.
- d) For a resident Public 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 health and education cess) without indexation.

9.4.8. Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are transferred under the Offer, will be subject to short term capital gains tax and shall be taxable at the rates prescribed in First Schedule to the Finance Act (i.e., applicable marginal tax rates applicable to different categories of persons) (plus applicable surcharge and health and education cess).

- 9.4.9. Taxability of capital gain arising to a non-resident in India from the transfer of equity shares shall be determined basis the provisions of the IT Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act.
- 9.4.10. 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.
- 9.4.11. 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.

**9.4.12. 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 but would be taxable in the hands of their investors. 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.

**9.4.13. Mutual Funds**

Under Section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or Regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorized by the RBI 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.

**9.5. Taxability of business income in hands of shareholders (Shares held as Stock-in-Trade)**

If the shares are held as stock-in-trade by any of the eligible Public Shareholders of the Target Company, then the gains will be characterized as business income and taxable under the head 'Profits and Gains from Business or Profession'.

**a) Profit of Resident Shareholders**

- (i) Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- (ii) Domestic companies having turnover or gross receipts not exceeding Rs.400 crores in the prescribed financial year, will be taxable @ 25%.
- (iii) Domestic companies which have opted for concessional tax regime under Section 115BAA and 115BAB of the IT Act will be taxable at 22%, upon meeting certain conditions.
- (iv) For persons other than stated in (A), (B) and (C) above, profits will be taxable @ 30%.
- (v) No benefit of indexation by virtue of period of holding will be available in any case.

**b) Profit of Non-Resident Shareholders**

- (i) Non-resident Public Shareholders can avail beneficial provisions of the applicable DTAA entered into by India with the relevant country of residence of the shareholder but subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act, as discussed in para 1(d) above.
- (ii) Where DTAA provisions are not applicable:
- (iii) For non-resident individuals, HUF, AOP and BOI, profits (as determined in accordance with the provisions of the IT Act) will be taxable at slab rates.
- (iv) For foreign companies, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @40%.
- (v) For other non-resident Public Shareholders, such as foreign firms, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @30%.



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

## 10. DOCUMENTS FOR INSPECTION

The copies of the following documents will be available for inspection at the registered office of the Manager, Swaraj Shares and Securities Private Limited, located at Unit No 304, A Wing, 215 Atrium, Near Courtyard Marriot, Andheri East, Mumbai - 400093, Maharashtra, India on any working day between 10:00 a.m. (Indian Standard Time) and 5:00 p.m. (Indian Standard Time) during the Tendering Period tentatively proposed to commence from Friday, March 15, 2024 to Monday, April 01, 2024. Further, in light of SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27,2020, read with SEBI Circular SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020, copies of the following documents will be available for inspection to the Public Shareholders electronically during the Tendering Period. The Public Shareholders interested to inspect any of the following documents can send an email from their registered email addresses (including shareholding details and authority letter in the event the Public Shareholder is a corporate body) with a subject line [“Documents for Inspection – CITL Open Offer”], to the Manager to the Open Offer at [compliance@swarajshares.com](mailto:compliance@swarajshares.com); and upon receipt and processing of the received request, access can be provided to the respective Public Shareholders for electronic inspection of documents:

- 10.1. Memorandum and Articles of Association and Certificate of Incorporation of the Target Company.
- 10.2. Certificate of Incorporation of Birford Enterprises Private Limited.
- 10.3. Memorandum of Understanding between the Manager and the Acquirer.
- 10.4. The copy of Agreement between the Registrar and the Acquirer.
- 10.5. The Net Worth of the Acquirer as on Friday, December 29, 2023 is Rs.517.67 Lakhs as certified bearing unique document identification number ‘24181196BKDGQHS244’ on Wednesday, January 31, 2024 ,by Chartered Accountant, Aakash P. Soni bearing membership number ‘181196’ of M/s Soni Aakash and Co., Chartered Accountants bearing firm registration number ‘146070W’ having their head office located at 302, Abhiraj, 68-B Swastik Co-operative Society, Opposite Femina Tower, C. G. Road, Ahmedabad - 380009, Gujarat, India with contact details being +91-8469111903’, Email Address being ‘[caaakashsoni.11195@gmail.com](mailto:caaakashsoni.11195@gmail.com)’, has certified that sufficient resources are available with the Acquirer for fulfilling its Offer obligations in full.
- 10.6. Audited Annual Reports for the last 3 (three) Financial Years ending March 31, 2023, March 31, 2022, and March 31, 2021 and Limited Review Unaudited Financial Result for the half year ended September 30, 2023, of the Target Company.
- 10.7. Bank Statement received from, Axis Bank Limited for required amount kept in the escrow account and marked lien in favor of Manager.
- 10.8. Copy of the Public Announcement dated Wednesday, January 31, 2024
- 10.9. Copy of the Detailed Public Statement dated Thursday, February 01, 2024, published on behalf of the Acquirer on Friday, February 02, 2024, in the newspapers.
- 10.10. Copy of the recommendations to be published on [●], by the Committee of Independent Directors of the Target Company.
- 10.11. Copy of SEBI Observation letter bearing reference number ‘[●]’ dated [●].
- 10.12. Escrow Agreement between Acquirer, Escrow Bank, and Manager.

**11. DECLARATION BY THE ACQUIRER**

For the purpose of disclosures in this Draft Letter of Offer relating to the Target Company, the Acquirer has relied on the information provided by the Target Company and has not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirer accept full responsibility for the information contained in this Draft Letter of Offer. The Acquirer shall be responsible for ensuring compliance with the SEBI (SAST) Regulations.

**Date:** Monday, February 05, 2024

**Place:** Mumbai

**On Behalf of the Acquirer**  
**Birford Enterprises Private Limited**  
**Sd/-**