

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a Public Shareholder(s) of Network Limited (hereinafter referred to as the "Target Company" or "Target" or "NETWORK"). If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

Open Offer By

ANUSHI RETAIL LLP ("Acquirer")

Registered Office: 10/24, S/F Kalkaji Extension, Near Police Station, New Delhi 110019, India; Phone: +91-11-26433545; email: anushiretail@gmail.com

and

ANUJ SAWHNEY ("PAC 1")

Address: 9/27, Kalkaji Extension, New Delhi 110019; Phone: +91 97111 39999; email: md@swissmilitaryindia.com

and

ASHITA SAWHNEY ("PAC 2")

Address: 9/27, Kalkaji Extension, New Delhi 110019; Phone: +91 99718 88600; email: ashitasawhney@icloud.com

and

Swiss Military Lifestyle Products Private Limited ("PAC 3")

Registered Office: 10/24, Second Floor, Kalkaji Extension, Near Police Station, New Delhi 110019;
Corporate Office: Corporate Office of PAC 3 is located at JMD Megapolis, 6th Floor, 621-624, Sector - 48, Sohna Road, Near Vipul Greens, Gurgaon - 122001, Haryana; Phone+91-11-26433545; email: legal@swissmilitaryindia.com (hereinafter collectively referred to as the "PACs")

to the public shareholder(s) of

NETWORK LIMITED

Registered office: W-39, Okhla Industrial Area, Phase-II, New Delhi 110020; Telephone No.: +91-11-41067060

To acquire upto 1,72,01,975 (One Crore Seventy Two Lakh One Thousand Nine Hundred and Seventy Five) Equity Shares of the face value of Rs. 2 (Rupees Two only) each ("Offer Shares"), of the Target Company, representing 35% of the Fully Paid Up Equity Share Capital (defined under the head "Definition") of the Target Company at a price of Re. 1/- (Rupee One only) per Equity Share, payable in cash.

Please Note:

1. This Offer is being made by the Acquirer pursuant to and in compliance with Regulation 3(1) and Regulation 4 read with other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations").
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of SEBI (SAST) Regulations.
3. **This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.**
4. **There has been no competing offer as on the date of this Draft Letter of Offer.**
5. The Offer is not subject to the receipt of any statutory and other approvals in relation to the offer.
6. If there is any upward revision in the Offer Price or the number of Shares sought to be acquired under the Open Offer by the Acquirer, the same shall be done at any time prior to the commencement of the last one working days before the commencement of the tendering period i.e. upto Friday, August 07, 2020. Further, any upward revision on the Offer Price or Offer Shares, would be informed by way of an Issue Opening Public Announcement in the same newspapers where the original Detailed Public Statement was made. Such revision in the Open Offer Price would be payable by the Acquirer for all the shares validly tendered anytime during the Tendering Period of the Open Offer.
7. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, the same would be communicated within 2 (Two) Working Days by an announcement in the same newspapers in which the Detailed Public Statement was published.
8. A copy of the Public Announcement, the Detailed Public Statement, the Draft Letter of Offer and the Letter of Offer (including Form of Acceptance cum Acknowledgment) will be available on the SEBI's website: www.sebi.gov.in.

MANAGER TO THE OFFER

TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED

SEBI Regn. No.: MB/INM000012290

Regd. Off.: 714, Vishwadeep Building, Plot No. 4, District Centre, Janakpuri, New Delhi- 110058

Tel. No.: +91-11-45510390

Contact Person: Mr. Heemadri Mukerjea

Email id: info@tcagroup.in

Website: www.tcagroup.in

REGISTRAR TO THE OFFER



ALANKIT ASSIGNMENTS LIMITED

SEBI Regn. No.: INR000002532

Corporate Office Address: 4E/2 Jhandewalan Extension, New Delhi - 110055

Tel No.: +91-11-42541955 Fax

No.: +91-11-42541201

Contact Person: Mr. JK Singla

Email id.: jksingla@alankit.com

Website: www.alankit.com



SCHEDULE OF THE ACTIVITIES PERTAINING TO THE OFFER

Nature of Activity	Day and Date
Date of the Public Announcement	Thursday, June 18, 2020
Date of publication of the Detailed Public Statement	Thursday, June 25, 2020
Last date of filing of Draft Letter of Offer with SEBI	Thursday, July 02, 2020
Last date for a Competing Offer	Thursday, July 16, 2020
Identified Date*	Tuesday, July 28, 2020
Last Date by which Letter of Offer will be dispatched to the Shareholders	Tuesday, August 04, 2020
Last date by which an independent committee of the Board of Target Company shall give its recommendation	Thursday, August 06, 2020
Last Date for upward revision of the Offer Price/Offer Size	Friday, August 07, 2020
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspaper	Friday, August 07, 2020
Date of commencement of tendering period (Offer Opening Date)	Tuesday, August 11, 2020
Date of expiry of tendering period (Offer Closing Date)	Monday, August 24, 2020
Date by which all requirements including payment of consideration would be completed	Monday, September 07, 2020

**Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirer, PACs and the Promoters of the Target Company) are eligible to participate in the Offer any time before the closure of the Offer.*

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RISK FACTORS

RISKS RELATED TO THE TRANSACTION/THE PROPOSED OPEN OFFER, THE ACQUIRER, PACs AND THE TARGET COMPANY

(A) Risk relating to the transaction/Offer

- As on the date of this Draft Letter of Offer, to the best of knowledge of the Acquirer and the PACs, no statutory and other approvals are required in relation to the Offer. However, the Offer will be subject to all statutory approvals that may become applicable at a later date. Regulation 23(1) of the SEBI (SAST) Regulations, lists the circumstances under which Offer may stand withdrawn. In the present case, as on the date of this Draft Letter of Offer, there are no apparent circumstances which may warrant a withdrawal of the Offer under Regulation 23(1) of the SEBI (SAST) Regulations. If at a later date, any other statutory or regulatory or other approvals/ no objections are required, the Offer would become subject to receipt of such other statutory or regulatory or other approvals/no objections. The Acquirer and PACs reserve the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the SEBI (SAST) Regulations in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused.

2. In the event that (a) the regulatory approvals are not received in a timely manner; or (b) there is any litigation to stay the Offer; or (c) SEBI instructs the Acquirer and/or PACs not to proceed with the Offer or to comply with certain conditions before proceeding the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of offer. Consequently, the payment of consideration to the shareholders of the Target Company, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer and/or the PACs, may be delayed.
3. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer and/or the PACS for payment of consideration to the shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer and/or PACs agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
4. The Equity Shares tendered in the Offer shall be held in the pool account of the broker/in trust by the Clearing Corporation /Registrar to the Offer until the completion of the Offer formalities and the Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares during such period, , even if the acceptance of Equity Shares in this Offer and/or dispatch of payment consideration is delayed. Further, during such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Shareholders will be solely responsible for their decisions regarding their participation in this Offer and the Acquirer and/or the PACs do not make any assurance with respect to the market price of the Equity Shares at any time, whether during or after the completion of the Offer, and disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
5. Shareholders should note that the Shareholders who tender the Equity Shares in the Offer shall not be entitled to withdraw their Equity Shares from the Offer, even if the acceptance of Equity Share under the Offer and dispatch of consideration is delayed.
6. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
7. 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/PACs and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
8. This Offer is subject to completion risks as would be applicable to similar transactions.
9. The Acquirer, PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, DLOF, LOF or in the post offer advertisement or any corrigendum or any materials issued by or at the instance of the Acquirer and/or PACs or the Manager to the Offer in relation to the Offer, and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his/her/its own risk.
10. NRI and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the RBI) and submit such approvals along with the Form of Acceptance and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) were required to obtain any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirer and/or the PACs reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or on non repatriable basis.
11. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the Letter of Offer, resident in jurisdictions outside India should inform themselves of and observe any 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 and/or PACs or the Manager to the Offer to any new or additional registration requirements.
12. The Shareholders are advised to consult their respective tax advisors for assessing the tax implications 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/or the PACs 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.

(B) Probable risk relating to the Acquirer, PACs and the Target Company

1. The Acquirer and/or the PACs make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirer and/or PACs make no assurance with respect to its investment/disinvestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer and/or the PACs do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
4. The Acquirer and/or the PACs do not accept any responsibility for statements made otherwise than in the Letter of Offer (LOF)/Draft Letter of Offer (DLOF)/Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer/PACs) would be doing so at his/her/its own risk.
5. The Acquirer/PACs do not accept the responsibility with respect to the information contained in the PA or DPS or DLOF or LOF that pertains to the Target Company and has been compiled from publicly available sources.

The risk factors set forth above, pertain to the Offer and 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 shareholder in the Offer. Shareholders of Target Company are advised to consult their Stock Brokers or Investment Consultants, if any, for analyzing all the risks with respect to their participation in the Offer.

1. DEFINITIONS

Acquirer	M/s Anushi Retail LLP having its registered office at 10/24, S/F Kalkaji Extension, Near Police Station, New Delhi-110019
Board/Board of Directors	Board of Directors of the Target Company
BSE	BSE Limited, Mumbai
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number.
Companies Act	Companies Act, 2013, and/or the Companies Act, 1956 (to the extent applicable and not repealed)
Date of Closing of Offer/ Date of opening of the Tendering Period	Monday, August 24, 2020
Date of Opening of Offer/Date of closure of the Tendering Period	Tuesday, August 11, 2020
Depositories	CDSL and NSDL
Detailed Public Statement/DPS	Detailed Public Statement dated June 24, 2020, made by the Manager to the Offer on behalf of the Acquirer and the PACs to the public shareholders of the Target Company, which was published on June 25, 2020 in all editions of in all editions of Business Standard (English) and Business Standard (Hindi) and Mumbai edition of Mumbai Lakshdeep (Marathi), being a local language daily with wide circulation at Mumbai (being the place where BSE is situated). The Registered Office of the Target Company is situated in the National Capital Territory of Delhi and Hindi being the regional language of the region, publication in a regional language daily is not required.
DP	Depository Participant
Draft Letter of Offer/DLOO/DLOF/DLoF	The Draft Letter of Offer dated July 02, 2020 submitted to SEBI for its observations.

Equity Shares/Shares	Fully paid up equity shares of the Target Company of face value of Rs. 2 (Rupees Two only) each
Escrow Account	A cash escrow account opened by the Acquirer in the name and style of “NETWORK- OPEN OFFER ESCROW ACCOUNT” bearing number 2814348248 with the Escrow Bank, irrevocably and unconditionally empowering the Manager to the Offer to act in compliance with the SEBI (SAST) Regulations.
Escrow Amount	Rs. 45,00,000 (Rupees Forty Five Lakh Only) being more than 25% of the Maximum Consideration payable under the Offer
Escrow Bank/Escrow Agent	Kotak Mahindra Bank Limited, having its registered office at 27, BKC, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra-400051 and through its branch situated at Ground Floor & Rear Basement, B - 1/8 & B - 1/9, Sector - 51, Noida, Uttar Pradesh
FII	Foreign Institutional Investors
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
Fully Paid Up Equity Share Capital/ Paid Up Equity Share Capital	Means total voting equity capital of the Target Company on a fully diluted basis expected as of the tenth (10th) working day from the closure of the tendering period of the Offer. As on date of this DLOF, Fully Paid Up Equity Share Capital of Target Company is Rs. 9,82,96,996/- (Rupees Nine Crore Eighty Two Lakh Ninety Six Thousand Nine Hundred Ninety Six Only) consisting of 4,91,48,498 (Four Crore Ninety One Lakh Forty Eight Thousand Four Hundred Ninety Eight) Equity Shares of face value of Rs. 2/- (Rupees Two Only) each
FY	Financial year
ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
Identified Date	Tuesday, July 28, 2020 i.e. the date falling on the 10 th Working Day prior to the date of opening of the Tendering Period for the purposes of determining the Shareholders of the Target Company to whom the Letter of Offer shall be sent.
Income Tax Act	The Income Tax Act, 1961, as amended
Letter of Offer/LOO/LOF/LoF	The Letter of Offer dated [●]
Listing Regulations/LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
NEFT	National Electronic Funds Transfer
Network Limited/ Network/ Target Company/Target	A company incorporated under the Companies Act, 1956 and having its registered office at W-39, Okhla Industrial Area, Phase-II, New Delhi 110020
NRIs	Non Resident Indians
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Bodies
Offer Period	Period commencing from Thursday, June 18, 2020 (the date of the Public Announcement) till the date on which the payment of consideration to the Equity Shareholders who have accepted the Offer is made, or the date on which Offer is withdrawn, as the case may be
Offer Price	Re. 1/- (Rupee One only) per fully paid up equity share of Rs. 2/- (Rupees Two Only) each.
Offer Size/Offer Shares	1,72,01,975 (One Crore Seventy Two Lakh One Thousand Nine Hundred and Seventy Five) Equity Shares of the face value of Rs. 2/- (Rupees Two Only) each, representing 35% of the Fully Paid Up Equity Share Capital of the Target Company

Offer/Open Offer	Open Offer for acquisition of upto 1,72,01,975 (One Crore Seventy Two Lakh One Thousand Nine Hundred and Seventy Five) fully paid up Equity Shares of face value of Rs. 2/- (Rupees Two Only) each ("Offer Shares"), representing in aggregate 35% of the Fully Paid Up Equity Share Capital of the Target Company at a price of Re. 1/- (Rupee One only) per fully paid up Equity Share, payable in cash.
PAC 1	Mr. Anuj Sawhney (PAN: AAKPS0374H), residing at 9/27, Kalkaji Extension, New Delhi-110019
PAC 2	Mrs. Ashita Sawhney (PAN: AYNPS0901M), residing at 9/27, Kalkaji Extension, New Delhi-110019
PAC 3	M/s Swiss Military Lifestyle Products Private Limited (PAN: AAPCS4333N) having registered office at 10/24, Second Floor, Kalkaji Extension, Near Police Station, New Delhi-110019
PAN	Permanent Account Number
Persons Acting in Concert (PACs)	"PAC 1", "PAC 2" and "PAC 3"
Promoters/Existing Promoters	Mr. Pankaj Shrimali, Mrs. Madhuri Shrimali, Mr. Hitesh Suneja, Mr. Naveen Suneja, Mr. Praful Kumar, Mr. Vijay Kumar Sharma, Mr. Vinod Suneja, Mr. Gian Vijeshwar, Mrs. Kusum Vijeshwar, Mr. Monny Vijeshwar, Mr. Robin Vijeshwar and M/s Appu Ghar Entertainment Private Limited
Public Announcement/PA	Public Announcement dated Thursday, June 18, 2020 made by the Manager to the Offer on behalf of the Acquirer and the PACs, in relation to this Offer.
Public Shareholder(s)	Means Shareholders of the Target Company other than the Acquirer, PACs and the Promoters of the Target Company.
RBI	Reserve Bank of India
Registrar/Registrar to the Offer/RTA	Alankit Assignments Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its corporate office at 4E/2 Jhandewalan Extension, New Delhi - 110055
Rs./Rupees/INR	Indian Rupees
SCRR	Securities Contracts (Regulation) Rules, 1957 as amended
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations/ /SAST Regulations/ Takeover Code/Takeover Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
SEBI Act	Securities & Exchange Board of India Act, 1992 as amended
Stock Exchange/Stock Exchanges	Stock Exchanges where Equity Shares of the Target Company are listed. The Target Company is currently listed on BSE.
TCA/ Manager to the Offer/ MB/Merchant Banker	Turnaround Corporate Advisors Private Limited, the Merchant Banker appointed by the Acquirer pursuant to Regulation 12 of the SEBI (SAST) Regulations, having its Corporate & Registered office at 714, Vishwadeep Building, Plot No. 4, District Centre, Janakpuri, New Delhi- 110058.
Tendering period	A period of 10 (Ten) working days period from the date of opening of offer on Tuesday, August 11, 2020 to closing of offer on Monday, August 24, 2020.
Working Day	Working days of SEBI as defined in the SEBI (SAST) Regulations, in Mumbai.

Note: All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI (SAST) Regulations unless specified.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF NETWORK LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 01, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS, 2011 AND SUBSEQUENT AMEUREMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1 Background of the Offer

- 3.1.1 This Open Offer is a mandatory Open Offer, being made by the Acquirer along with the PACs to the Public Shareholders of the Target Company in compliance with Regulations 3(1) and Regulation 4 read with other applicable provisions of the SEBI (SAST) Regulations as a result of a direct acquisition of Equity Shares and voting rights and subsequent acquisition of control over the Target Company by the Acquirer, pursuant to acquisition of equity shares of the Target Company through market purchase.
- 3.1.2 As on the date of the PA, the Acquirer held 1,19,89,200 Equity Shares representing 24.39% of the Fully Paid Up Equity Shares Capital of the Target Company.
- 3.1.3 On June 19, 2020, the Acquirer placed a purchase order with its Broker, M/s KK Securities Limited to acquire upto 5,00,000 (Five Lakhs) fully paid-up Equity Shares representing 1.02% of fully paid-up equity share capital and voting capital of the Target Company, at a price not exceeding Re. 1 (Rupee One only) (excluding brokerage and levies) per Equity Share of the Target Company.
- 3.1.4 In terms of Regulation 3(1) read with Regulation 13(2)(a) of SEBI (SAST) Regulations, the Public Announcement under Regulation 13(1) of the said regulations is required to be made prior to placement of the purchase order with the stock broker to acquire the shares, that would take the entitlement to voting rights beyond the stipulated thresholds. In the present scenario, in the event the Acquirer was able to acquire shares in the Target Company, pursuant to the afore mentioned purchase order, the shareholding of the Acquirer would have increased to 25.41% of the fully paid-up equity share capital and voting capital of the Target Company. Further, the Acquirer along with the PACs, also proposes to acquire control over the Target Company. Accordingly, this mandatory Offer is being made by the Acquirer along with the PACs, in compliance with Regulations 3(1) and 4 read with Regulation 13(2)(a) of the SEBI (SAST) Regulations and other applicable provisions of the SEBI (SAST) Regulations and would be subject to compliance with Regulation 31A of the LODR Regulations.
- 3.1.5 The Offer is not a result of Global Acquisition resulting in indirect acquisition of Target Company.
- 3.1.6 There is no separate arrangement for the proposed change in control of the Target Company.
- 3.1.7 The Acquirer and/or the PACs have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.
- 3.1.8 The Acquirer may, subsequent to successful completion of this Open Offer or in accordance with Regulation 22(2) of SEBI (SAST) Regulations, reconstitute the Board of Directors of the Target Company. As on the date of this DLoF, the Acquirer has not decided the names of persons who may be appointed on the Board of Directors of the Target Company.
- 3.1.9 As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required, upon receipt of the Detailed Public Statement, to constitute a committee of independent directors to provide their reasoned recommendations on the Offer. The reasoned recommendations are required to be published in the same

newspapers in which the Detailed Public Statement was published, at least two working days before the commencement of the tendering period, and simultaneously a copy of such recommendations is required to be sent to SEBI, BSE and to the Manager to the Offer.

3.2 Details of the Proposed Offer

- 3.2.1 In accordance with Regulation 13(4) of the SEBI (SAST) Regulations, the Acquirer along with the PACs have made a Detailed Public Statement within 5 (five) working days from the date of Public Announcement. In accordance with Regulation 14(3) of the SEBI (SAST) Regulations, the Detailed Public Statement has been published in the following newspapers:

Name of the Newspaper	Edition	Date
Business Standard (English)	All Editions	June 25, 2020
Business Standard (Hindi)	All Editions	June 25, 2020
Mumbai Lakshadeep (Marathi)	Mumbai	June 25, 2020

- 3.2.2 A copy of the Detailed Public Statement for the Open Offer is also available on the website of SEBI at www.sebi.gov.in and on the website of the Manager to the Offer at www.tcagroup.in.
- 3.2.3 The Acquirer along with the PACs are making an offer to acquire upto 1,72,01,975 (One Crore Seventy Two Lakh One Thousand Nine Hundred Seventy Five) Equity Shares of face value Rs. 2 (Rupee Two only) each representing 35% of the Fully Paid Up Equity Share Capital of the Target Company at a price of Re. 1/- (Rupee One only) per equity share, payable in cash, subject to the terms and conditions set out in the PA, the DPS and this DLOF.
- 3.2.4 All the shares of the Target Company are fully paid up and there are no partly paid up shares in the Target Company. There is no differential pricing in the Offer.
- 3.2.5 This is not a competing Offer in terms of Regulation 20 of the SEBI (SAST) Regulations and there has been no competing offer as on the date of this Draft Letter of Offer.
- 3.2.6 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.
- 3.2.7 The Acquirer will acquire upto 1,72,01,975 (One Crore Seventy Two Lakh One Thousand Nine Hundred Seventy Five) Equity Shares that are validly tendered in accordance with the terms of the Offer at the offer price. In the event the Equity Shares tendered in the Offer are more than the Equity Shares proposed to be acquired under the Offer, the acquisition of Equity Shares from the Public Shareholders will be on a proportionate basis, as detailed in paragraph 8.15 of this Draft Letter of Offer.
- 3.2.8 The Acquirer will acquire only such Equity Shares that are fully paid up, free from all liens, charges and encumbrances and the Equity Shares shall be acquired together with all the rights and interests attached thereto, including all rights to dividend, bonus thereon.
- 3.2.9 There is no agreement amongst the Acquirer and the PACs and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other persons / entities proposes to participate in the acquisition.
- 3.2.10 The Acquirer and/or PACs have not acquired any shares of the Target Company from the date of the PA i.e. June 18, 2020, upto the date of this Draft Letter of Offer. It may be noted that no Equity Shares were acquired by the Acquirer, pursuant to the purchase order placed by the Acquirer on June 19, 2020 (the transaction which triggered the Open Offer)
- 3.2.11 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed Turnaround Corporate Advisors Private Limited as the Manager to the Offer.
- 3.2.12 As on the date of this DLOF, the Manager to the Offer does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.
- 3.2.13 In terms of Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("LODR Regulations") read with Rule 19A of Securities Contracts (Regulation) Rules, 1957 ("SCCR"), the Target Company is required to maintain at least 25% public shareholding on a continuous basis for listing. Upon completion of the Offer, assuming acquisition of equity shares that triggered the Open Offer and also assuming full

acceptance, the Acquirer will hold 2,91,91,175 (Two Crore Ninety One Lakh Ninety One Thousand One Hundred Seventy Five) Equity Shares of the Target Company, representing a total of 59.39% of the Fully Paid Up Equity Share Capital, which taken together with the existing Promoters Shareholding of the Target Company, would result in public shareholding falling below minimum stipulated level. Pursuant to completion of this Offer, in the event the Public Shareholding in the Target Company falls below the minimum public shareholding requirement as per SCRR and LODR Regulations, the Acquirer undertakes to bring down the non-public shareholding in the Target Company to the level specified within the time prescribed in the SCRR, SEBI (SAST) Regulations and as per applicable SEBI guidelines.

3.3 Object of the Acquisition/Offer

- 3.3.1 Post the successful completion of the Open Offer, the Acquirer shall hold substantial stake in the Target Company. Further, upon completion of the Open Offer, and subject to compliance with Regulation 31A of the LODR Regulations, the Acquirer along with the PACs shall be inducted as the Promoters of the Target Company and they shall exercise control over the Target Company, along with the existing Promoters of the Target Company.
- 3.3.2 The main object of this acquisition is to acquire Management Control over the Target Company. Post the successful completion of the Open Offer, and subject to compliance with Regulation 31A of the LODR Regulations, the Acquirer along with the PACs shall be inducted as the Promoters of the Target Company and they shall exercise control over the Target Company, along with the existing Promoters of the Target Company. The Acquirer may continue the existing line of business of the Target Company or may diversify its business activities in future with the prior approval of shareholders. However, depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 2013, Memorandum and Articles of Association of the Target Company and all applicable laws, rules and regulations, the Board of Directors of the Target Company will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirer cannot ascertain the repercussions, if any, on the employees and locations of the business place of the Target Company.
- 3.3.3 Post the successful completion of the Open Offer the Acquirer may make changes in the Board of Directors of the Target Company.
- 3.3.4 The Acquirer does not currently have any intention to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the Shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations.

4. BACKGROUND OF THE ACQUIRER/PACs:

Information about the Acquirer:

4.1 M/s Anushi Retail LLP ("Acquirer") (PAN: ABQFA4764N, LLPIN: AAR-1165)

- 4.1.1 M/s Anushi Retail LLP is a Limited Liability Partnership incorporated on November 21, 2019, under the Limited Liability Partnership Act, 2008. The Limited Liability Partnership Identification Number (LLPIN) of the Acquirer is AAR-1165. The name of the Acquirer has not changed since its incorporation. The registered office of the Acquirer is situated at 10/24, S/F Kalkaji Extension, Near Police Station, New Delhi 110019, and its email id is anushiretailllp@gmail.com.
- 4.1.2 Acquirer is an SPV of M/s Swiss Military Lifestyle Products Private Limited, a Company dealing in consumer products like travel accessories, travel gear, apparels, electronics, footwear, sun glasses, pens, bicycles, etc. The Acquirer is also engaged in organized retail business which is similar to the line of business of its parent.
- 4.1.3 The Acquirer is a limited liability partnership and is not listed on any Stock Exchange.
- 4.1.4 The Acquirer does not belong to any group.
- 4.1.5 CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), having office at SB-2, Bhawani Singh Marg, Bapu Nagar, Jaipur - 302015 Ph: +91- -141-2705867, Email Id: smitapassociates@gmail.com has certified, vide certificate dated June 17, 2020 that the net worth of the Acquirer as on March 31, 2020 is Rs. 1,75,10,796/- (Rupees One Crore Seventy Five Lakh Ten Thousand Seven Hundred Ninety Six only).

4.1.6 The total capital contribution of the Acquirer as on March 31, 2020 is Rs. 1,75,15,000, consisting of fixed capital contribution of Rs. 1,00,000/- (Rupees One Lakh Only) and current capital contribution of Rs. 1,74,15,000/- (Rupees One Crore Seventy Four Lakh Fifteen Thousand only).

4.1.7 The names of the Promoters/persons in control of the Acquirer and their respective contribution in Acquirer as on March 31, 2020 is provided below:

Partners	Contribution in Rs.		Contribution %	
	Fixed	Current	Fixed	Current
Mr. Anuj Sawhney	10,000	5,000	10%	0.03%
M/s Swiss Military Lifestyle Products Private Limited*	90,000	1,74,10,000	90%	99.97%
Total	1,00,000	1,74,15,000	100%	100%

* M/s Swiss Military Lifestyle Products Private Limited is owned and controlled by PAC 1 and M/s Promoshirt SM Private Limited. Further, Promoshirt SM Private Limited is ultimately owned and controlled by PAC 1 and PAC 2.

4.1.8 Acquirer has confirmed that it is not categorized as a 'wilful defaulter' in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("SEBI Act") or under any other regulations made under the SEBI Act.

4.1.9 Acquirer has confirmed that its Designated Partners, key employees and persons in control, have not been declared as fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

4.1.10 The Acquirer is controlled by PACs.

4.1.11 The key financial information of the Acquirer as per the audited financial statements for the period ended March 31, 2020, is as under:

(Figures in Rupees Lakhs except where specifically stated)

Income Statement	For period commencing from November 21, 2019 till March 31, 2020*
	Audited
Income from Operations	-
Other Income	0.07
Total Income	0.07
Total Expenditure (excluding depreciation and interest)	0.11
Profit before Depreciation, Interest & Tax	(0.04)
Depreciation and amortization expense	-
Interest (Finance Cost)	-
Profit before Tax & Extra Ordinary Items	(0.04)
Extra Ordinary Items/Exceptional Items	-
Profit Before Tax	(0.04)
Provision for Tax (Including for deferred tax)	-
Profit After Tax	(0.04)

Balance Sheet	As at
	March 31, 2020
	Audited
Sources of Funds	
Partners' Capital	175.15
Reserves & Surplus (Excluding Revaluation Reserve)	(0.04)
Net Worth	175.11
Secured Loan	-
Unsecured Loan	-
Total Loans	-
Deferred Tax Liabilities (Net)	-
Other Current Liabilities/Non Current Liabilities	0.10
Grand Total	175.21

Balance Sheet	As at
	March 31, 2020
	Audited
Uses of Funds	
Net Fixed Assets	-
Other Non-Current Assets	1.20
Loans and Advances (Long Term+ Short Term)	-
Inventories	-
Other Current Assets	-
Cash and Bank Balances	55.31
Total	175.21

Other Financial Data	For period commencing from November 21, 2019 till March 31, 2020*
	Audited
Dividend (in %)	-
Basic Earning Per Share (in Rs. per Share)	-
Diluted Earning Per Share (in Rs. per Share)	-

Contingent Liabilities	For period commencing from November 21, 2019 till March 31, 2020*
	Audited
There is no Contingent Liabilities during the above stated period	

*The LLP was incorporated on November 21, 2019, accordingly financial data has been provided from the date of incorporation till the end of the current financial year.

(Source- As certified by CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), having office at SB-2, Bhawani Singh Marg, Bapu Nagar, Jaipur - 302015 Ph: +91-141-2705867, Email Id: smitapassociates@gmail.com vide certificate dated June 17, 2020)

4.1.12 The details of the designated partners of Acquirer as on the date of this Draft Letter of Offer, is provided below:

Name	DPIN	Experience	Qualification	Date of Appointment
Mr. Anuj Sawhney	00471724	Around 20 years in operational management, lifestyle branding and related business.	Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University, Nashville, Tennessee	November 21, 2019
Mrs. Ashita Sawhney (Nominee of Swiss Military Lifestyle Products Pvt Ltd)	08612232	Around 10 years in business development, lifestyle branding and related business.	Graduate in B.A (Honours) from Jesus & Mary College, Delhi	November 21, 2019

As on the date of this DLOF, none of the Designated Partners of Acquirer are on the Board of Directors of the Target Company.

4.1.13 As on the date of this DLOF, Acquirer holds 1,19,89,200 Equity Shares representing 24.39% of the paid up share capital of the Target Company (No shares of the Target Company were acquired by the Acquirer pursuant to the market purchase, the order of which was made on June 19, 2020, the transaction which triggered the Open Offer).. Further,

the Acquirer and has duly complied with the provisions of the Chapter V of the SEBI (SAST) Regulations, as applicable, with respect to acquisition of Shares in Target Company.

- 4.1.14 Acquirer is interested in the Target Company to the extent of its shareholding in the Target Company i.e. 1,19,89,200 Equity Shares equivalent to 24.39% of fully paid up equity share capital in the Target Company. Except as mentioned above, as on the date of this DPS, the Acquirer, its designated partners and key employees do not have any interest in the Target Company.

Information about the PACs

4.2 Mr. Anuj Sawhney ("PAC 1") (PAN: AAKPSO374H)

- 4.2.1 Mr. Anuj Sawhney (PAN: AAKPSO374H), Son of Mr. Ashok Sawhney, aged about 46 years, is residing at 9/27, Kalkaji Extension, New Delhi-110019. He is Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University at Nashville, Tennessee. He has experience of around 20 years in operational management, lifestyle branding and related business.
- 4.2.2 Ms. Smita Patni, Chartered Accountant (Membership No. 079396), proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C) having office at SB-2, Bhawani Singh Marg, Bapu Nagar, Jaipur - 302015 Ph: +91-141-2705867, Email Id: smitapassociates@gmail.com has certified vide certificate dated June 17, 2020 that the Net worth of Mr. Anuj Sawhney as on June 17, 2020 is Rupees 1177.17 Lakh (Rupees Eleven Crore Seventy Seven Lakh Seventeen Thousand Only).
- 4.2.3 As on the date of this DLOF, PAC 1 is not holding any Equity Shares in the Target Company, accordingly, provisions of chapter V of SEBI (SAST) Regulations are not applicable to PAC 1.
- 4.2.4 As on the date of this DLOF, PAC 1 does not have any interest in the Target Company. However, PAC 1 maybe deemed to be interested in the Target Company, to the extent of shareholding of Acquirer in the Target Company, as already elaborated under para 4.1.14 above, corresponding to the details of the Acquirer.
- 4.2.5 As on date of this DLOF, PAC 1 is not a Director on the Board of any Listed Company and is not serving as a Whole Time Director on the Board of any Listed or Unlisted Company.
- 4.2.6 PAC 1 has confirmed that he is not categorized as a 'wilful defaulter' in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.2.7 PAC 1 has confirmed that he has not been declared as fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.2.8 As on date of this DLOF, PAC 1 is designated partner in the Acquirer and is Promoter and Director of PAC 3. Further PAC 1 is spouse of PAC 2.

4.3 Mrs. Ashita Sawhney ("PAC 2")

- 4.3.1 Mrs. Ashita Sawhney (PAN: AYNPS0901M), Wife of Mr. Anuj Sawhney, aged about 47 years, is residing at 9/27, Kalkaji Extension, New Delhi-110019. She is Graduate in B.A (Honours) from Jesus & Mary College, Delhi. She has experience of around 10 years in business development, lifestyle branding and related business.
- 4.3.2 Ms. Smita Patni, Chartered Accountant (Membership No. 079396), proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C) having office at SB-2, Bhawani Singh Marg, Bapu Nagar, Jaipur - 302015 Ph: +91-141-2705867, Email Id: smitapassociates@gmail.com has certified vide certificate dated June 17, 2020 that the Net worth of Mrs. Ashita Sawhney as on June 17, 2020 is Rupees 102.89 Lakh (Rupees One Crore Two Lakh Eighty Nine Thousand Only).
- 4.3.3 As on the date of this DLOF, PAC 2 does not hold equity shares in the Target Company, accordingly, provisions of chapter V of SEBI (SAST) Regulations are not applicable to PAC 2.
- 4.3.4 As on the date of this DLOF, PAC 2 does not have any interest in the Target Company. However, PAC 2 maybe deemed to be interested in the Target Company, to the extent of shareholding of Acquirer in the Target Company, as already

elaborated under para 4.1.14 above, corresponding to the details of the Acquirer.

- 4.3.5 As on date of this DLOF, PAC 2 is not a Director on the Board of any Listed Company and is not serving as a Whole Time Director on the Board of any Listed or Unlisted Company.
- 4.3.6 PAC 2 has confirmed that she is not categorized as a 'wilful defaulter' in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.3.7 PAC 2 has confirmed that she has not been declared as fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.3.8 PAC 2 is the appointed nominee of M/s Swiss Military Lifestyle Products Private Limited in the Acquirer and is Director of PAC 3. Further PAC 2 is spouse of PAC 1.

4.4 M/s Swiss Military Lifestyle Products Private Limited ("PAC 3")

- 4.4.1 M/s Swiss Military Lifestyle Products Private Limited is a Private Limited Company incorporated on January 18, 2011, under the Companies Act, 1956. The corporate identification number of PAC 3 is U19202DL2011PTC329546. The registered office of PAC 3 is situated at 10/24, Second Floor, Kalkaji Extension, New Delhi-110019, India, and its email id is legal@swissmilitaryindia.com. The Corporate Office of PAC 3 is located at JMD Megapolis, 6th Floor, 621-624, Sector - 48, Sohna Road, Near Vipul Greens, Gurgaon - 122001, Haryana. The name of the PAC 3 has not changed since its incorporation.
- 4.4.2 M/s Swiss Military Lifestyle Products Private Limited, is engaged in the business of dealing in consumer products like travel accessories, travel gear, apparels, electronics, footwear, sun glasses, pens, bicycles, etc.
- 4.4.3 PAC 3 is a private limited company and is not listed on any Stock Exchange.
- 4.4.4 PAC 3 does not belong to any group.
- 4.4.5 As on the date of this DLOF, Authorized Share Capital of PAC 3 is Rs. 3,90,00,000/- (Rupees Three Crore Ninety Lakh Only), comprising of 38,50,000 (Thirty Eight Lakh Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each and 50,000 (Fifty Thousand) Preference Shares of Rs. 10/- (Rupees Ten). The issued, subscribed and paid-up equity share capital, is Rs. 3,83,07,990/- (Rupees Three Crore Eighty Three Lakh Seven Thousand Nine Hundred Ninety Only), comprising of 38,30,799 (Thirty Eight Lakh Thirty Thousand Seven Hundred Ninety Nine) Equity Shares of Rs. 10/- (Rupee Ten) each, fully paid up.
- 4.4.6 The names of the Promoters of PAC 3 and their respective shareholding in PAC 3, as on the date of this DLOF is provided as under:

Name of Shareholders	Number of Equity Shares held	% of Total Equity Capital
Mr. Anuj Sawhney	13,20,000	34.46%
M/s. Promoshirt SM Private Limited*	25,10,799	65.54%
Total	38,30,799	100.00%

**M/s Promoshirt SM Private Limited is ultimately controlled by PAC 1 and PAC 2.*

- 4.4.7 Shareholding pattern of PAC 3 as on the date of this DLOF, is as under:

S. No.	Shareholder's Category	No. Shares held	Percentage
1.	Promoters	38,30,799	100%
2.	FII/ Mutual-Funds/ Fls/Banks	NA	NA
3.	Public	NA	NA
	Total Paid Up Capital	38,30,799	100%

- 4.4.8 As on the date of this DLOF, the PAC 3 does not hold Equity Shares in the Target Company, accordingly, provisions of chapter V of SEBI (SAST) Regulations are not applicable to PAC 3 .
- 4.4.9 As on the date of this DLOF, the PAC 3, its directors and key employees do not have any interest in the Target Company. However, PAC 3 maybe deemed to be interested in the Target Company, to the extent of shareholding of Acquirer in the Target Company, as already elaborated under para 4.1.14 above, corresponding to the details of the Acquirer.

- 4.4.10 PAC 3 has confirmed that it is not categorized as a 'wilful defaulter' in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("SEBI Act") or under any other regulations made under the SEBI Act.
- 4.4.11 PAC 3 has confirmed that its Directors, key employees and key shareholders have not been declared as fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.4.12 The key financial information of PAC 3 based on the limited reviewed financial statement for the nine months period ended December 31, 2019 and audited financial statements for the financial years ended March 31, 2019, March 31, 2018 and March 31, 2017 are as under:

(Figures in Rupees Lakhs except where specifically stated)

Income Statement	For 9 months period ended on	For 12 months period ended on		
	December 31, 2019	March 31, 2019	March 31, 2018	March 31, 2017
	Limited Review	Audited	Audited	Audited
Income from Operations	3,473.52	3,888.57	3,822.04	3,569.07
Other Income	47.92	31.74	29.32	18.70
Total Income	3,521.44	3,920.31	3,851.36	3,587.77
Total Expenditure (excluding depreciation and interest)	3,231.89	3,742.34	3,620.12	3,187.29
Profit before Depreciation, Interest & Tax	289.55	177.97	231.24	400.48
Depreciation and amortization expense	22.95	36.19	30.30	45.03
Interest (Finance Cost)	-	0.40	1.39	2.82
Profit before Tax & Extra Ordinary Items	266.60	141.38	199.55	352.63
Extra Ordinary Items/Exceptional Items	-	-	-	-
Profit Before Tax	266.60	141.38	199.55	352.63
Provision for Tax (Including for deferred tax)	66.65	42.04	58.16	114.65
Profit After Tax	199.95	99.34	141.39	237.98

Balance Sheet	As at	As at	As at	As at
	December 31, 2019	March 31, 2019	March 31, 2018	March 31, 2017
	Limited Review	Audited	Audited	Audited
Sources of Funds				
Paid-up Share Capital	383.08	383.08	383.08	5.90
Reserves & Surplus (Excluding Revaluation Reserve)	1,070.13	870.18	770.84	525.05
Net Worth	1,453.21	1,253.26	1,153.92	530.95
Secured Loan	-	-	-	-
Unsecured Loan	-	-	-	-
Total Loans	-	-	-	-
Deferred Tax Liabilities (Net)	-	-	-	-
Other Current Liabilities/Non Current Liabilities	794.84	513.25	717.72	1,142.23
Grand Total	2,248.05	1,766.51	1,871.64	1,673.18
Uses of Funds				
Net Fixed Assets	71.54	83.29	64.37	89.54
Other Non-Current Assets	174.65	19.07	14.30	11.65
Loans and Advances (Long Term+ Short Term)	213.91	146.42	189.05	210.61
Inventories	591.51	710.04	723.24	707.08
Other Current Assets	916.85	483.61	530.34	394.95
Cash and Bank Balances	279.59	324.08	350.34	259.35
Total	2,248.05	1,766.51	1,871.64	1,673.18

Other Financial Data	For 9 months period ended on	For 12 months period ended on		
	December 31, 2019	March 31, 2019	March 31, 2018	March 31, 2017
	Limited Review	Audited	Audited	Audited
Dividend (in %)	-	-	-	-
Basic Earning Per Share (in Rs. per Share)	5.22	2.59	3.69	2,379.76
Diluted Earning Per Share (in Rs. per Share)	5.22	2.59	3.69	2,379.76

Contingent Liabilities	For 9 months period ended on	For 12 months period ended on		
	December 31, 2019	March 31, 2019	March 31, 2018	March 31, 2017
	Limited Review	Audited	Audited	Audited
There is no Contingent Liabilities during the above stated period				

(Source- As certified by CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), having office at SB-2, Bhawani Singh Marg, Bapu Nagar, Jaipur - 302015 Ph: +91-141-2705867, Email Id: smitapassociates@gmail.com vide certificate dated June 17, 2020)

4.4.13 The details of the directors of PAC 3 as on the date of this Draft Letter of Offer, is provided below:

Name	DIN	Experience	Qualification	Date of Appointment
Mr. Anuj Sawhney	00471724	Around 20 years in operational management, lifestyle branding and related business.	Graduate in B.Com (Honours) from Sri Ram College of Commerce, Delhi and Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University, Nashville, Tennessee	January 03, 2012
Mrs. Ashita Sawhney (Nominee of Swiss Military Lifestyle Products Pvt Ltd)	08612232	Around 10 years in business development, lifestyle branding and related business.	Graduate in B.A (Honours) from Jesus & Mary College, Delhi	November 15, 2019

As on the date of this DLOF, none of the Directors of PAC 3 are on the Board of Directors of the Target Company.

4.5 Other Information about the Acquirer and PACs

4.5.1 There is no agreement amongst the Acquirer and the PACs and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other persons / entities proposes to participate in the acquisition.

4.5.2 Regulation 6A of SEBI (SAST) Regulations, 2011 is not applicable as none of the Acquirers and the PACs are wilful defaulters.

4.5.3 Relationship between the Acquirer and PACs:

- PAC 1 is Designated Partner of Acquirer and PAC 2 is Nominee of PAC 3 in the Acquirer.
- Acquirer is controlled by the PACs.

- c. PAC 1 holds 34.45% of the paid-up share capital of PAC 3, balance 65.54% of the paid-up share capital of PAC 3 is held by M/s Promoshirt SM Private Limited. Further, M/s Promoshirt SM Private Limited is ultimately controlled by PAC 1 and PAC 2.
- d. PAC 1 is spouse of PAC 2.

5. BACKGROUND OF NETWORK LIMITED (TARGET COMPANY)

(The disclosures mentioned under this section has been sourced from information available in Public Domain or provided to the Acquirer by the Target Company)

- 5.1 The Target Company was incorporated as “Network India Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on January 25, 1989, by the Registrar of Companies, Delhi & Haryana. Subsequently, the certificate of commencement of business was granted to the Target Company on January 09, 1990, by the Registrar of Companies, Delhi & Haryana. The name of Target Company was changed to its present name “Network Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi & Haryana on November 09, 1990. The Corporate Identification Number of the Target Company is L32209DL1989PLC034797.
- 5.2 Presently, the registered office of the Target Company is situated at W-39, Okhla Industrial Area Phase-II, New Delhi 110020.
- 5.3 As on date of this Draft Letter of Offer, the Authorized Share Capital of the Target Company is Rs. 58,50,00,000/- (Rupees Fifty Eight Crore Fifty Lakh only) consisting of 26,25,00,000 (Twenty Six Crore Twenty Five Lakh) Equity Shares of Rs. 2 (Rupees Two only) each and 6,00,000 (Six Lakh) Preference Shares of Rs. 100/- (Rupees Hundred only) each. The Issued, Subscribed and Paid-up Capital of the Target Company is Rs. 9,82,96,996/- (Rupees Nine Crore Eighty Two Lakh Ninety Six Thousand Nine Hundred Ninety Six Only) consisting of 4,91,48,498 (Four Crore Ninety One Lakh Forty Eight Thousand Four Hundred Ninety Eight only) Equity Shares of face value of Rs. 2 (Rupees Two Only) each.
- 5.4 The entire present paid up Equity Share Capital of the Target Company is currently listed on BSE Limited (“BSE”).
- 5.5 The share capital structure of the Target Company is as under:

Paid up Equity shares of Target Company	No. of shares/ voting rights	% of shares/ voting rights
Fully Paid up Equity Shares	4,91,48,498	100
Partly Paid up Equity Shares	Nil	Nil
Total Paid up Equity Shares	4,91,48,498	100
Total voting rights in the Target Company	4,91,48,498	100

- 5.6 The Target Company does not have any partly paid Equity Shares. There are no outstanding convertible instruments (warrants/FCDs/PCDs) etc. or options or similar instruments, convertible into Equity Shares at a later stage.
- 5.7 As on the date of this Draft Letter of Offer, the Board of Directors of the Target Company comprises of 4 (Four) Directors. The details of the Board of Directors are as below:

Name of Directors	DIN	Designation	Date of Appointment
Vijay Kalra	01062644	Non Executive - Independent Director	10/01/2007
Umong Sethi	05330983	Non Executive - Independent Director	06/08/2014
Neena Sethi	06936951	Non Executive - Independent Director	06/08/2014

As on the date of this Draft Letter of Offer, none of the Directors on the Board of the Target Company are representative of the Acquirer and/or PACs.

- 5.8 There has been no merger, de-merger and spin off in the last three years involving the Target Company.
- 5.9 The financial information of the Target Company as per the audited financial statements for the last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 is as follows:

I. FINANCIAL FIGURES FOR YEAR ENDED MARCH 31, 2020, MARCH 31, 2019, MARCH 31, 2018 (AUDITED)

(Figures in Rupees Lakhs)

Profit & Loss Statement	Audited		
	31-Mar-20	31-Mar-19	31-Mar-18
Income from Operations	353.07	503.15	512.70

Profit & Loss Statement	Audited		
	31-Mar-20	31-Mar-19	31-Mar-18
Other Income	53.28	0.99	0.98
Total Income	406.35	504.14	513.68
Total Expenditure (excluding depreciation and interest)	425.06	545.19	581.79
Profit/(Loss) before Depreciation, Interest & Tax	(18.71)	(41.05)	(68.11)
Depreciation	0.84	0.70	0.33
Interest	0.00	0.00	0.00
Profit/(Loss) before Tax & Extra Ordinary Items	(19.55)	(41.75)	(68.44)
Extra Ordinary Items/ Exceptional Items	0.00	0.00	0.00
Profit/ (Loss) Before Tax	(19.55)	(41.75)	(68.44)
Less : Provision for Tax(including deferred tax)	0.00	0.00	0.00
Profit/ (Loss) After Tax	(19.55)	(41.75)	(68.44)

(Figures in Rupees Lakhs)

Balance Sheet- Standalone	Audited		
	31-Mar-20	31-Mar-19	31-Mar-18
Sources of Funds			
Paid-up Share Capital	982.97	982.97	982.97
Reserves & Surplus (Excluding Revaluation Reserve)	(578.19)	(404.04)	(362.29)
Long Term Liabilities	0.00	0.00	0.00
Other Current Liabilities	42.96	2.77	25.86
Total	447.74	581.70	646.54
Uses of Funds			
Net Fixed Assets			
Property, Plant & Equipment	1.03	1.87	1.11
Non Current Investments & other	151.05	442.82	516.62
Loans and Advances (Long Term+ Short Term)	0.00	0.00	0.00
Inventories	10.81	15.45	122.02
Other Current Assets	122.19	115.74	1.00
Cash and Bank Balances	162.66	5.82	5.78
Total	447.74	581.70	646.54

Other Financial Data- Standalone	Audited		
	31-Mar-20	31-Mar-19	31-Mar-18
Net Worth (in Rs. Lacs.)	404.78	578.93	620.68
Dividend (in %)	0	0	0
Basic Earning Per Share (in Rs. per Share)	(0.35)	(0.08)	(1.24)
Diluted Earning Per Share (in Rs. per Share)	(0.35)	(0.08)	(1.24)
Return on Net worth (in %)	(5%)	(7%)	(11%)
Book Value (in Rs. per Share)	0.82	1.18	1.26

(Source- As certified by Mr. B. K. Sood (Membership No. 080855), Partner of M/s B.K. Sood & Co, Chartered Accountants (Firm Registration No. 000948N) having Office at 712, Eros Apartments, 56, Nehru Place, New Delhi - 110019, Tel. No. +91-11-26212633, E-mail: bksoodca@gmail.com, vide certificate dated June 12, 2020)

5.10 As on the date of this Draft Letter of Offer, shareholding in the Target Company before and after the Offer (assuming full acceptances in the Offer) is given in the table below:

Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shares /voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in open offer (assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a. Parties to agreement, if any	0	0%	0	0%	0	0%	-	0%
b. Promoters other than (a) above	9355583	19.04%	0	0%	0	0%	9355583	19.04%
Total 1(a+b)	9355583	19.04%	0	0%	0	0%	9355583	19.04%
(2) Acquirer (Public Shareholder)								
a. Main Acquirer								
M/s Anushi Retail LLP	11989200	24.39%	0	0.00%	17201975	35%	29191175	59.39%
b. PACs								
Anuj Sawhney	0	0%	0	0%	0	0%	0	0.00%
Ashita Sawhney	0	0%	0	0%	0	0%	0	0.00%
Swiss Military Lifestyle Products Private Limited	0	0%	0	0%	0	0%	0	0.00%
Total 2(a+b)	11989200	24.39%	0	0.00%	17201975	35.00%	29191175	59.39%
(3) Parties to agreement other than (1)& (2)	0	0%	0%	0%	0%	0%	0%	0%
(4) Public (other than parties to agreement, Acquirer & PACs)								
a) FIs/MFs/FILs/ Banks/ SFIs								
b) Others	27803715	56.57%	0	0.00%	(17201975)	-35.00%	10601740	21.57%
Total (4) (a+b)	27803715	56.57%	0	0.00%	(17201975)	-35.00%	10601740	21.57%
Total No. of Shareholders in Public category (excluding Acquirer)#	Nil							
GRAND TOTAL (1+2+3+4)	49148498	100.00%	0	0.00%	0	0.00%	49148498	100.00%

#Based on Shareholding pattern for quarter ended March 31, 2020 filed with BSE.

It may be noted that no Equity Shares were acquired by the Acquirer, pursuant to the purchase order placed by the Acquirer on June 19, 2020 (the transaction which triggered the Open Offer)

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of offer price

6.1.1 This Open Offer is pursuant to Direct Acquisition.

6.1.2 The Equity Shares of the Target Company are presently listed on BSE Ltd having a scrip code as 523558.

6.1.3 The total trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the twelve calendar months prior to the month of Public Announcement (i.e. from June 01, 2019 to May 31, 2020) is as under:

Name of the Stock Exchange	Total No. of Equity Shares traded during the Twelve months prior to the month of PA	Total No. of Equity Shares listed	Total Trading Turnover (as % of total Equity Shares listed)
BSE	1,43,966	4,91,48,498	0.29%

6.1.4 Based on the above information, the Equity Shares of Target Company are not frequently traded on BSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Accordingly, the Offer Price has been determined taking into account the parameters as set out under Regulation 8(2) of the SEBI (SAST) Regulations, being higher than the highest of the following parameters:

(amount in Rs.)

1	Negotiated Price under the Share Purchase Agreement (“SPA”)	Not Applicable
2	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA [@]	1.00
3	Highest price paid or payable for acquisitions by the Acquirer during 26 weeks immediately preceding the date of PA [@]	1.00
4	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on BSE where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5	Fair Value of Equity Share of Target Company, as certified by CA Smita Patni (membership no. 079396), Proprietor, M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), vide certificate dated June 17, 2020**	0.82
6	Other financial Parameters	For the year ended March 31, 2020 (based on Audited financials)***
a.	Return on Net Worth (%)	-5%
b.	Book value per Share (Rs.)	0.82
c.	Earnings per Share	-0.35

[@] Acquisition Price of Equity Shares acquired by the Acquirer by way of Off-Market Purchase (excluding brokerage and levies, if any)

Note: no Equity Shares were acquired by the Acquirer, pursuant to the purchase order placed by the Acquirer on June 19, 2020 (the transaction which triggered the Open Offer)

*** Source - Audited Financials for FY 2019-20

** The relevant extract of the certificate dated June 17, 2020 issued by CA Smita Patni (membership no. 079396), Proprietor, M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), having office at SB-2, Bhawani Singh Marg, Bapu Nagar, Jaipur - 302015 Ph: +91-141-2705867, Email Id: smitapassociates@gmail.com, certifying the Fair Value of Equity Shares of the Target Company is provided as under:

Quote:

In the case of Hindustan Lever Employees’ Union vs Hindustan Lever Limited (1995), the honourable Supreme Court of India upheld the use of the following three bases of valuation:

- (i) *the net asset value method;*
- (ii) *the yield method; and*
- (iii) *the market value method.*

In case of Network Limited:

- (i) **The net asset value method (NAV):** The Net Asset Value based on the Audited Financial Statements of the Target Company for the year ended March 31, 2020 is Rs. 0.82/- (Paise Eighty Two Only) per Equity Share.
- (ii) **The yield method (Price Earning Capacity value/PECV):** For calculating the value based on Profit Earning Capacity, average profit after tax based on the Audited Financial Statements of the Target Company for the

financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 have been considered. However, the Target Company has incurred losses during the stated period, accordingly valuation based on PECV method has not been considered in the present case.

- (iii) **The market value method:** The Target Company is currently listed on BSE Limited ("BSE"). There is sporadic trading in the Equity Shares of the Target Company on BSE Limited. The shares of the Target Company are not frequently traded on BSE in terms of Regulation 2(1)(j) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Accordingly, the market value method has been ignored in the present case.

Considering the honourable Supreme Court's decision in the case of Hindustan Lever Employees Union vs. Hindustan Lever Limited (1995) reported at (83 Company Cases 30) wherein the apex court has opined that under certain circumstances the fair value of a Company could be assessed based on weights, we have assigned the following weights for the purpose of computing the Fair Market Value:-

Particulars (A)	Price per Equity Share (in Rs.) (B)	Weight (C)	Product (In Rs.) D= B*C
NAV Method	0.82	1	0.82
PE Multiple	Ignored based on the reasons provided in explanation above		
Market Value Method	Ignored based on the reasons provided in explanation above		
Fair Value per Equity Share			0.82

Conclusion:

We are of the opinion that based on the information as referred to hereinabove, the Value of Equity Shares of Network Limited in terms of the honourable Supreme Court's decision in the Hindustan Lever Employees' Union vs. Hindustan Lever Limited (1995) reported at (83 Companies Cases 30), is Rs. 0.82/- (Paise Eighty Two only) per Equity Share.

Unquote.

- 6.1.5 In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and the Manager to the Offer, the Offer Price of Re. 1/- (Rupee One Only) per Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.
- 6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- 6.1.7 As on date, there is no revision in Offer Price or Offer Size. In case of any revision in the open Offer Price or open Offer Size, the Acquirer shall comply with Regulation 17(2) and 18 of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations, which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 6.1.8 If there is any revision in the Offer Price on account of future purchases/competing offers, it will be done only at any time prior to the commencement of the last one working days before the date of commencement of the tendering period and would be notified to the Public Shareholders of the Target Company by way of announcement in all the newspapers in which this Detailed Public Statement pursuant to the Public Announcement was made.
- 6.2 Financial Arrangements:**
- 6.2.1 The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of up to 1,72,01,975 (One Crore Seventy Two Lakh One Thousand Nine Hundred and Seventy Five) Equity Shares at a price of Re. 1/- (Rupee One only) per Equity Share is Rs. 1,72,01,975 (Rupees One Crore Seventy Two Lakh One Thousand Nine Hundred and Seventy Five only) ("Maximum Consideration").
- 6.2.2 The Acquirer along with the PACs have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full, out of their own sources/ network. CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), having office at SB-2, Bhawani Singh Marg, Bapu Nagar, Jaipur - 302015 Ph: +91-141-2705867, Email Id: smitapassociates@gmail.com, has certified, vide certificate dated June 17, 2020, that sufficient resources are available with the Acquirer along with the PACs for fulfilling the obligations under this Offer in full.
- 6.2.3 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer and the Manager to the Offer have entered into an escrow agreement dated June 09, 2020 with the Kotak Mahindra Bank Limited, having its registered office at 27, BKC, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra-400051 and through its branch situated at

Ground Floor & Rear Basement, B - 1/8 & B - 1/9, Sector - 51, Noida, Uttar Pradesh (“Escrow Bank”) in terms of which the Acquirer has opened Escrow Account in the name and style of “**NETWORK OPEN OFFER ESCROW ACCOUNT**” bearing number 2814348248 (“**Escrow Account**”) with the Escrow Bank.. Further, Acquirer have deposited therein an amount of Rs. 45,00,000 (Rupees Forty Five Lakh Only) in cash, being more than 25% of the Maximum Consideration payable under the Offer. The amount kept in the Escrow Account may be converted into the Fixed Deposit.

6.2.4 The Manager to the Offer is authorized to operate the above mentioned Escrow Account and has been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

6.2.5 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations. Further, the Manager to the Offer confirms that firm arrangement for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions

7.1.1 The Offer is not conditional and is not subject to minimum level of acceptances.

7.1.2 Letters of Offer will be dispatched to all the Public Shareholders of Target Company, whose names appear in its Register of Members on Tuesday, July 28, 2020, the Identified Date. The Public Shareholders whose email ids are registered with the Depositories/ the Target Company/ Registrar to the Offer shall be dispatched the LOF through electronic means. If Public Shareholders who have been sent the LOF through electronic means wish to obtain a physical copy of the LOF, they may send a request in writing to the Registrar to the Offer at the address or email id mentioned on the cover page of the LOF by stating such Shareholder’s name, address, number of Equity Shares held on Identified Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the LOF shall be provided to such Public Shareholder. The Public Shareholders who have not registered their email ids with the Depositories / the Target Company/ Registrar to the Offer shall be dispatched the LOF through physical mode by registered post / speed post / courier.

7.1.3 The Offer is subject to the terms and conditions set out in the Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

7.1.4 The Letter of Offer along with the Form of Acceptance cum Acknowledgement would also be available at SEBI’s website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.

7.1.5 This Offer is not subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4 of this Letter of Offer. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

7.1.6 Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

7.1.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).

7.1.8 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 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 along with the equity shares tendered under the Offer.

7.1.9 Each Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.

7.1.10 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

7.2 **Locked in shares:** As on the date of this DLOF, there are no locked in shares in the Target Company.

7.3 Persons eligible to participate in the Offer

All Public Shareholders, are eligible to participate in the Offer any time before the closure of the Offer.

7.4 Statutory approvals and other approvals

- 7.4.1 To the best of knowledge and belief of the Acquirer and/or the PACs, as on the date of this Draft Letter of Offer, there are no statutory approvals and/or consent required. However, if any other statutory approvals are required or become applicable prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.
- 7.4.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.
- 7.4.3 Subject to the receipt of statutory and other approvals, if any, the Acquirer shall complete all requirements relating to this Offer including payment to the shareholders who have accepted the Open Offer within 10 working days from the date of closure of the Tendering Period.
- 7.4.4 In case of delay/non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant extension of time for the purpose of making the payments, subject to the Acquirer agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. However, where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.
- 7.4.5 If any of the statutory approvals set out above, are not met for reasons outside the reasonable control of the Acquirer, or in the event the statutory approvals are refused, the Acquirer, in terms of Regulation 23 of SEBI (SAST) Regulations, shall have a right to withdraw this Offer. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS is published and such announcement will also be sent to SEBI, BSE and the Target Company at its Registered Office.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 The Target Company is presently having connectivity with Central Depository Services (India) Limited ('CDSL') and National Securities Depositories Limited ('NSDL'). The ISIN of the Target Company is INE010C01025.
- 8.2 The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism as provided under the SEBI (SAST) Regulations and circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016.
- 8.3 BSE will be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.
- 8.4 The Acquirer shall request BSE to provide a separate acquisition window ("Acquisition Window") to facilitate placing of sell orders by Public Shareholders who wish to tender their Equity Shares in the Open Offer.
- 8.5 The Acquirer has appointed KK Securities Limited ("Buying Broker") as its broker for the Open Offer through whom the purchase and settlement of the Offer Shares tendered in the Open Offer will be made during the Tendering Period. The contact details of the Buying Broker are as mentioned below:

Name: KK Securities Limited

Address: 76-77, Scindia House, Janpath, New Delhi - 110001

Contact Person: Mr. Sanjay Bansal

Telephone No.: 011-46890000

Email Id: kksl@kksecurities.com

- 8.6 Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), during the normal trading hours of the secondary market during Tendering Period. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders.

- 8.7 **The Selling Brokers can enter orders for dematerialised Equity Shares only.** The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the BSE during the Tendering Period.
- 8.8 Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as a client (KYC Compliant).
- 8.9 In the event Seller Broker(s) are not registered with BSE or if the Shareholder do not have any stock broker then that Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE 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 Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Shareholder may approach Buying Broker viz. KK Securities Limited, to bid by using quick UCC facility. The Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

IN CASE OF SHAREHOLDER BEING AN INDIVIDUAL:

If Shareholder is registered with KYC Registration Agency ("KRA"): Documents required:

- Central Know your Client (CKYC) form including FATCA, IPV, OSV if applicable.
- Know your Client (KYC) form Documents required (all documents self -attested)
- Bank details (cancelled cheque), Photographs, PAN Card, Address Proof
- Demat details if Equity Shares are in demat mode (Demat Master /Latest Demat statement), If not then demat account is required to be opened.

If Shareholder is not registered with KRA: Documents required:

- CKYC form including FATCA, IPV, OSV if applicable
- KRA form
- KYC form Documents required (all documents self-attested):
 - PAN card copy
 - Address proof
 - Bank details (cancelled cheque with name printed)
 - Photograph
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement), If not then demat account is required to be opened.

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

IN CASE OF SHAREHOLDER IS HUF:

If Shareholder is registered with KYC Registration Agency ("KRA"): Documents required:

- Central Know your Client (CKYC) form of HUF & Karta including FATCA, IPV, OSV if applicable.
- Know your Client (KYC) form Documents required (all documents self -attested)
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Shareholder is not registered with KRA: Documents required:

- CKYC form of huf & Karta including FATCA, IPV, OSV if applicable
- KRA form
- KYC form Documents required (all documents self-attested):
 - PAN card copy of HUF and Karta
 - Address proof of HUF and Karta
 - HUF Declaration
 - Bank details (cancelled cheque)
 - HUF formation document
 - Last 2 years balance sheet of HUF
 - Latest networth certificate signed by CA
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement), If not then demat account is required to be opened

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

IN CASE OF SHAREHOLDER OTHER THAN INDIVIDUAL AND HUF:

If Shareholder is registered with KYC Registration Agency ("KRA"): Documents required:

-

- Know Your Client (KYC) form Documents required (all documents certified true copy)
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern upto UBO level for shareholding above 5.00%
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- Networth certificate by CA

If Shareholder is not registered with KRA: Documents required:

- KRA form
- Know Your Client (KYC) form Documents required (all documents certified true copy):
 - PAN card copy of company/ firm/trust
 - Address proof of company/ firm/trust
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies & address proof of directors/ authorized signatories/ partners/ trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- Networth certificate by CA

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

8.10 Procedure for tendering Equity Shares held in dematerialised Form:

- a) The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Open Offer shall approach their broker indicating the details of Equity Shares they intend to tender in Open Offer.
- b) The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
- c) For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d) The Seller Member would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of the BSE. Before placing the bid, the Shareholder would be required to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited (the "ICCL"), by using the early pay in mechanism prior to placing the bid by the Seller Member.
- e) 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 Designated Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- f) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the exchange bidding system to the Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered etc.

- g) The Public Shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.
- h) Modification / cancellation of orders will not be allowed during the period the Offer is open.
- i) The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period

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

8.11 Procedure to be followed by Public Shareholders holding Equity Shares in the physical form

- a) As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Press Release (PR) no. 51/2018 dated December 03, 2018 and Press Release (PR) no. 12/2019 dated March 27, 2019, requests for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. April 1, 2019.
- b) Accordingly, the Public Shareholders who are holding equity shares in physical form and are desirous of tendering their equity shares in the Offer can do so only after the equity shares are dematerialized. Such Public Shareholders are advised to approach any depository participant to have their equity shares dematerialized.

8.12 Procedure for tendering the shares in case of non-receipt of LOF

Public Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the LOF, may also participate in this Offer. Public Shareholders may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this LOF or in the Form of Acceptance-cum-Acknowledgement. The LOF along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the Public Shareholders as of the Identified Date.

In case of non-receipt of the LOF, such Public Shareholders may download the same from the SEBI website (www.sebi.gov.in) or Manager to the Offer’s website (www.tcagroup.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

Alternatively, in case of non-receipt of the LOF, the 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 Paragraphs 8.9 and 8.10. Such Shareholders have to ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

- 8.13 Non-receipt of the LOF by, or accidental omission to dispatch this LOF to any shareholder, shall not invalidate the Offer in any way.
- 8.14 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Public Shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Public Shareholders are advised to adequately safeguard their interest in this regard.

8.15 Acceptance of Equity Shares

The Equity Shares tendered in the Offer shall be held in the pool account of the broker / in trust by the Clearing Corporation /Registrar to the Offer until the completion of the Offer formalities.

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares and physical 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 Shareholders shall not be less than the minimum marketable lot.

8.16 Settlement Process

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.

The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation

For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/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.

In case of certain client types viz. NRI, Foreign 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 releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.

The Equity Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non -acceptance of the shares under the Offer.

Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders, shall be returned to the Public Shareholders by the Clearing Corporation. However, 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.

8.17 Settlement of Funds / Payment Consideration

The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.

For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/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.

The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker will receive funds payout in their settlement bank account.

The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder / Selling Broker (s) as per secondary market pay out mechanism.

The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / custodian participant will receive funds payout in their settlement bank account. The Selling Brokers / custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism.

Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost,

charges and expenses (including brokerage) incurred solely by the selling Shareholder.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public Shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

9. COMPLIANCE WITH TAX REQUIREMENTS:

- 9.1 The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 ("IT Act"). A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "Status" of such shares. "Status" of the shares is generally where a company is "incorporated". Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act. Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates. Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year. The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.

Taxability of Capital Gain in the hands of the Public Shareholders:

- a. The Finance Act, 2018 has withdrawn the exemption under section 10(38) for LTCG arising from transfer of equity shares on or after 1 April 2018. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable, as notified). Under this provision the capital gains tax would be calculated on gains exceeding INR 100,000 (Indian Rupees One Lakh only) (without any indexation). It may also be noted that any capital gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
- b. As per section 111A of the Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Public Shareholders (except certain specific categories).
- c. Any applicable surcharge and education cess would be in addition to above applicable rates.
- d. **Tax deducted at Source:** In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. However, in case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealers/ tax advisors appropriately. However, in case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the IT Act.

The tax implications are based on provisions of the IT Act as applicable as on date of this DLOF. In case of any amendment made effective prior to the date of closure of this Offer, then the provisions of the IT Act as amended would apply. Notwithstanding the details given above, all payments will be made to the Public Shareholders subject to compliance with prevailing tax laws. The final tax liability of the Public Shareholders shall remain of such Public Shareholders and

the said Public Shareholders will appropriately disclose the amounts received by it, pursuant to this Offer, before the Indian income tax authorities.

- 9.2 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 TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders at the office of the Manager to the Offer at 714, Vishwadeep Building, Plot No. 4, District Centre, Janakpuri, New Delhi - 110058 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

- a) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- b) Certificate dated June 17, 2020 from CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), certifying the summarized audited financial data of Acquirer for the period ended March 31, 2020.
- c) Certificate dated June 17, 2020 from CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), certifying the summarized audited financial data of PAC 3 for the nine months period ended December 31, 2019 and for the years ended March 31, 2017, 2018 and 2019.
- d) Certificate dated June 17, 2020 from CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), certifying the net worth of Acquirer.
- e) Certificate dated June 17, 2020 from CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), certifying the net worth of PAC 1.
- f) Certificate dated June 17, 2020 from CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), certifying the net worth of PAC 2.
- g) Certificate dated June 17, 2020 from CA Smita Patni (Membership No. 079396) proprietor of M/s Smita Patni & Associates, Chartered Accountants (Firm Registration No. 013302C), confirming that the Acquirer along with the PACs have adequate financial resources available for meeting their obligations under the Open Offer.
- h) Annual Report of the PAC 3 for the years ended March 31, 2019, March 31, 2018 and March 31, 2017, along with limited reviewed financials of PAC 3, for the period ended December 31, 2019.
- i) Annual Report of the Target Company for the years ended March 31, 2019, 2018 and 2017 and audited financial statement for the year ended March 31, 2020.
- j) Certificate dated June 12, 2020 from CA B. K. Sood (Membership No. 080855), Partner of M/s B.K. Sood & Co, Chartered Accountants (Firm Registration No. 000948N), certifying the audited financials of the Target Company for the last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018.
- k) Copy of Escrow Agreement dated June 09, 2020, entered between Acquirer, Manager to the Offer and Escrow Bank.
- l) Letter from Escrow Bank confirming the cash deposit of Rs. 45,00,000 (Rupees Forty Five Lakh only) in the Escrow Account.
- m) Copy of Memorandum of Understanding dated June 09, 2020 between the Acquirer and Manager to the Offer.

- n) Copy of Agreement dated June 16, 2020 between the Acquirer and the Registrar to the Offer for the purpose of the Offer.
- o) Copy of the PA dated June 18, 2020, the DPS dated June 24, 2020 (published on June 25, 2020) and all other notices (including corrigenda released, if any) in connection with the Offer.
- p) Published Copy of the Offer Opening Public Announcement published by the Manager to the Offer on behalf of the Acquirer.
- q) Published Copy of the recommendation made by the Committee of the Independent Directors of the Target Company.
- r) Copy of the letter from SEBI dated [●] containing its comments on the Draft Letter of Offer.

11. DECLARATION BY THE ACQUIRER/PACs

The Acquirer and PACs, and their respective Partners/Directors, accept full responsibility for the information contained in this DLOF, including the Form of Acceptance cum Acknowledgement (except that which pertains to the Target Company and has been compiled from publicly available sources).

The Acquirer and PACs also accept full responsibility of their obligations under the Offer and shall be severally and jointly liable for ensuring the compliance with the SEBI (SAST) Regulations.

The Acquirer and PACs having made all reasonable inquiries, accept full responsibility and confirms that this DLOF is in compliance with the SEBI (SAST) Regulations, and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this DLOF is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Manager to the Offer hereby states that the person(s) signing this DLOF are duly and legally authorized by the Acquirers or the PACs, as applicable.

Acquirer Anushi Retail LLP	PAC 1	PAC 2	PAC 3 Swiss Military Lifestyle Products Private Limited
Sd/- Anuj Sawhney Designated Partner DIN: 00471724	Sd/- Anuj Sawhney	Sd/- Ashita Sawhney	Sd/- Anuj Sawhney Director DIN: 00471724

Place: New Delhi
Date: July 02, 2020