

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer (“**DLoF**”) is sent to you as a Public Shareholder of Stampede Capital Limited (“**Target Company**”). 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 DLoF and the accompanying Form of Acceptance-cum-Acknowledgement (“**Form of Acceptance**”) and Securities Transfer Form (s) to the member of stock exchange through whom the said sale was effected.

JONNA VENKATA TIRUPATI RAO (“Acquirer”)
residing at Villa No.39, Manjeera Smart Homes, Quthbullapur, Hyderabad- 500055
Tel.: +91 97010 10003; E-mail: tirupatirao@gayiadi.com



ALONG WITH
GAYI ADI MANAGEMENT AND TRENDS PRIVATE LIMITED (“PAC”)
Corporate Identification Number (CIN): U17299TG2018PTC124707
Regd. Off.: Villa No.39, Manjeera Smart Homes, Quthbullapur, Hyderabad- 500055
Tel.: +91 97010 10003; E-mail: compliance@gayiadi.com

MAKES A CASH OFFER OF INR 0.45/- (FORTY FIVE PAISE ONLY) PER FULLY PAID-UP ORDINARY EQUITY SHARE OF FACE VALUE OF INR 1 (INDIAN RUPEE ONE) EACH (“EQUITY SHARE”) AND INR 0.55/- (FIFTY FIVE PAISE ONLY) PER FULLY PAID-UP EQUITY SHARE WITH DIFFERENTIAL VOTING RIGHTS OF FACE VALUE OF INR 1 (INDIAN RUPEE ONE) EACH (“DVR SHARE”), TO ACQUIRE UP TO 7,44,28,650 (SEVEN CRORE FORTY FOUR LAKH TWENTY EIGHT THOUSAND SIX HUNDRED FIFTY ONLY) SHARES (“OFFER SHARES”), CONSISTING OF 5,95,42,920 (FIVE CRORE NINETY FIVE LAKH FORTY TWO THOUSAND NINE HUNDRED AND TWENTY ONLY) EQUITY SHARES AND 1,48,85,730 (ONE CRORE FORTY EIGHT LAKH EIGHTY FIVE THOUSAND SEVEN HUNDRED THIRTY ONLY) DVR SHARES, REPRESENTING 26% OF THE VOTING SHARE CAPITAL, UNDER THE SEBI (SAST) REGULATIONS, 2011, FROM THE PUBLIC SHAREHOLDERS OF

STAMPEDE CAPITAL LIMITED (“Target Company”)
Corporate Identification Number (CIN): L67120TG1995PLC020170
Regd. Off.: Flat No. 1003, 10th Floor, Block - A, Royal Pavilion Apartment,
H. No. 6-3-787, Ameerpet, Hyderabad - 500016, Ranga Reddy District, Telangana, India
Tel.: +91-40-2340 5683/84; Telefax: +91-40-2340 5684
E-mail: cs@stampedecap.com / info@stampedecap.com; Website: www.stampedecap.com

- This Offer is being made by the Acquirer and the PAC pursuant to and in compliance with Regulation 3(1) and 4 of the SEBI (SAST) Regulations, 2011.
- This Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations, 2011 and is not subject to any minimum level of acceptance.
- The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- As on the date of this Draft Letter of Offer, to the best of the knowledge and belief of the Acquirer and the PAC, except as mentioned under **Statutory and other Approvals** of this Draft Letter of Offer, there are no statutory approval(s) required by the Acquirer and PAC to complete the acquisition of shares pursuant the Underlying Transaction and this Offer. However, in case of any other statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period, this Offer would be subject to the receipt of such approvals. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirer and/ or the PAC, the Acquirer and/ or PAC may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations, 2011.
- Under Regulation 18(4) of the SEBI (SAST) Regulations, 2011, the Acquirer and the PAC is permitted to revise the Offer Price or the number of Offer Shares, upwards, at any time up to prior to commencement of 1 (one) Working Day before the commencement of the Tendering Period. In the event of such revision, the Acquirer and PAC shall (a) make corresponding increases to the amount kept in escrow account, (b) make a public announcement in the newspapers in which the DPS was published, and (c) simultaneously with the making of such announcement, inform Securities Exchange Board of India (“**SEBI**”), the Stock Exchanges and the Target Company of such revision. The Acquirer would pay such revised price for all the shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the Letter of Offer.
- **There has been no competing offer as of the date of this Draft Letter of Offer. If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**

A copy of the Public Announcement (‘**PA**’), Detailed Public Statement (‘**DPS**’) and this Draft Letter of Offer, including Form of Acceptance cum Acknowledgment are also available on the website of SEBI at <http://www.sebi.gov.in>.

MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
	ASHIKA CAPITAL LIMITED (CIN: U30009WB2000PLC091674) SEBI Registration No.: INM000010536 1008, 10 th Floor, Raheja Centre, 214, Nariman Point, Mumbai-400 021. Tel: +91-22-66111700; Fax: +91-22-66111710 E-mail: mbd@ashikagroup.com Contact Person: Mr. Narendra Kumar Gamini / Ms. Varshika Sarda		VENTURE CAPITAL AND CORPORATE INVESTMENTS PRIVATE LIMITED (CIN: U65993TG1986PTC006936) SEBI Registration No.: INR000001112 12-10-167, Bharat Nagar, Hyderabad, 500018. Tel: +91-40-23818475/23818476/23868023 Fax: +91-40-23868024; E-mail: info@vccilindia.com Contact Person: Mr. P.V. Srinivas

SCHEDULE OF ACTIVITIES OF THE OFFER IS GIVEN BELOW:

Activity	Schedule * (Date & Day)
Issue of Public Announcement	July 08, 2020 (Wednesday)
Publication of Detailed Public Statement in the newspapers	July 15, 2020 (Wednesday)
Filing of the Draft Letter of Offer with SEBI	July 22, 2020 (Wednesday)
Last date for public announcement for competing offer(s)	August 05, 2020 (Wednesday)
Last date for receipt of comments from SEBI on the Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	August 12, 2020 (Wednesday)
Identified Date [#]	August 14, 2020 (Friday)
Last Date for dispatch of the Letter of Offer to the Public Shareholders, whose name appears on the Register of Members on the Identified Date	August 21, 2020 (Friday)
Last date for upward revision of the Offer Price and/or Offer Size	August 26, 2020 (Wednesday)
Last date by which committee of independent directors of the Target Company shall give its recommendation to the Shareholders of the Target Company for this Offer	August 26, 2020 (Wednesday)
Date of publication of Offer opening public announcement, in the newspapers in which the DPS has been published	August 27, 2020 (Thursday)
Date of commencement of the Tendering Period (“Offer Opening Date”)	August 28, 2020 (Friday)
Date of closure of the Tendering Period (“Offer Closing Date”)	September 10, 2020 (Thursday)
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of shares to the shareholders of the Target Company	September 24, 2020 (Thursday)

[#]Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that all Public Shareholders (registered or unregistered) are eligible to participate in the Open Offer at any time before the Offer Closing Date.

*The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations, 2011) and are subject to receipt of relevant approvals from various statutory / regulatory authorities and may have to be revised accordingly.

RISK FACTORS:**Relating to the Underlying Transaction:**

- As on the date of this Draft Letter of Offer, to the best of the knowledge and belief of the Acquirer and the PAC, except as mentioned under Statutory and other Approvals of this Draft Letter of Offer, there are no statutory approval(s) required by the Acquirer and the PAC to complete the acquisition of shares pursuant the Underlying Transaction and this Offer. However, in case of any other statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period, this Offer would be subject to the receipt of such approvals. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirer and/ or the PAC, the Acquirer and/ or PAC may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations, 2011.
- The information contained in this Draft Letter of Offer is as of date of this Draft Letter of Offer unless specified otherwise. The Acquirer, PAC and the Manager are under no obligation to update the information contained herein at any time after the date of this Draft Letter of Offer.

Relating to the proposed Offer:

- In the event that either: (a) regulatory or statutory approvals, as required, are not received in time; or (b) there is any order, of a governmental authority, or in a litigation, leading to a stay / injunction on the Open Offer or that restricts / restrains the Acquirer along with the PAC from performing their obligations hereunder; or (c) SEBI

instructs the Acquirer and/or the PAC not to proceed with the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. In case the delay is due to non-receipt of statutory approval(s), then in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that nonreceipt of approvals was not due to any wilful default or failure or neglect on the part of the Acquirer and/or the PAC, grant an extension for the purpose of completion of the Open Offer subject to the Acquirer and the PAC agreeing to pay interest to the validly tendering shareholders at such rate as may be specified by SEBI. Where the statutory approvals extend to some but not all the shareholders, the Acquirer along with the PAC will have the option to make payment of the consideration to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.

2. The acquisition of Equity Shares tendered by NRIs and OCBs is subject to approval from the RBI. Non-resident Indian (“**NRI**”) and overseas corporate body (“**OCB**”) holders of the shares, if any, must obtain all requisite approvals required to tender the shares held by them in this Offer (including, without limitation, approval from the RBI) and submit copies of such approvals, along with the Form of Acceptance-cum-Acknowledgement and other documents required to be tendered to accept this Offer. Further, if holders of the shares who are not persons resident in India (including NRIs, OCBs, Foreign Portfolio Investors (“**FPIs**”) and Foreign Institutional Investors (“**FIIs**”)), willing to tender their Equity Shares in this Offer, had required any approvals (including from the RBI, the Foreign Investment Promotion Board (“**FIPB**”) or any other regulatory / statutory authority) in respect of the shares held by them, they will be required to submit copies of such previous approvals, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such shares tendered in this Offer. If the shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the shares are held under general permission and clarify whether the shares are held on a repatriable or a non-repatriable basis.
 3. The Acquirer and the PAC may withdraw the Offer in accordance with the terms and conditions specified in this Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirer and the PAC (through the Manager to the Offer) shall, within 2 (two) Working Days of such withdrawal, make a public announcement, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, 2011.
 4. In the event that the number of shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer and the PAC shall accept those shares validly tendered by the Public Shareholders on a proportionate basis. Therefore, there is no certainty that all the shares tendered in the Offer will be accepted. The unaccepted shares will be returned to the respective Public Shareholders in accordance with the schedule of activities for the Offer.
 5. From the tendering of shares by the Shareholders to the settlement of the Open Offer, there may be fluctuations in the market price of the shares and the shareholders will not be able to trade in such shares held in the pool account of the broker / in trust by the Clearing Corporation of the Stock Exchange/Registrar to the Offer that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer.
 6. Public Shareholders who have lodged their acceptance to this Open Offer shall not be entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of the shares in this Open Offer and dispatch of consideration are delayed. During such period, there may be fluctuations in the market price of the shares and the shareholders will not be able to trade in such shares, thereby restricting the ability of such Shareholders to take advantage of any favourable price movements. It is understood that the shareholders will be solely responsible for their decisions regarding their participation in this Open Offer.
 7. Public Shareholders are advised to consult their respective stockbroker, legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for assessing further risks with respect to their participation in the Open Offer, and related transfer of Equity Shares of the Target Company to the Acquirer/PAC. The Acquirer, the PAC 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, and all shareholders should independently consult their respective tax advisors.
 8. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft 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, the PAC or the Manager to any new or additional registration requirements. This is not an offer
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for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America

9. This Offer is subject to completion risks as would be applicable to similar transactions.

Relating to the Acquirer and PAC:

1. The Acquirer and PAC make no assurance with respect to their investment/divestment decisions relating to their shareholding in the Target Company.
2. The Acquirer and PAC make no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
3. The Acquirer, the PAC and the Manager make no assurance with respect to the market price of the shares before, during the Tendering Period and upon the completion of the Offer, and expressly disclaim any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Public Shareholder on whether or not to participate in the Offer.
4. The information pertaining to the Target Company and/or the Seller contained in the PA or the DPS or the Draft Letter of Offer or the Letter of Offer or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or the Sellers, as the case may be, or publicly available sources which has not been independently verified by the Acquirer or the PAC or the Manager to the Offer. The Acquirer, the PAC and the Manager to the Offer do not accept any responsibility with respect to the information provided by the Target Company and/or the Seller.
5. The Acquirer, PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, the DPS and this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and/or PAC, excluding all information pertaining to the Target Company and/or the Seller, which has been obtained from publicly available sources or provided or published or confirmed by the Target Company and/or Seller. Any person placing reliance on any other source of information will be doing so at his/her/its own risk

The risk factors set forth above are indicative only and are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or associated with the Acquirer and the PAC. The risk factors set forth above do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation or otherwise by any Public Shareholder in the Offer. Public Shareholders are advised to consult their respective stockbrokers, legal, financial, tax, investment or other advisors and consultants for an understanding of the further risks associated with their participation in the Offer.

Currency of Presentation:

1. In this Draft Letter of Offer, all references to 'INR' / 'Rs.' / 'Rupees' are references to Indian Rupee(s), the official currency of India.
 2. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.
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1. ABBREVIATIONS / DEFINITIONS

Particulars	Details / Definition
Acquirer	Jonna Venkata Tirupati Rao
BSE	BSE Limited
Buying Broker	Ashika Stock Broking Limited, through whom the purchases and settlement of Offer Shares shall be made
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Clearing Corporation	Indian Clearing Corporation Limited
Companies Act	The Companies Act, 1956, as amended and/or The Companies Act, 2013, as amended, as the case may be
Depositories	CDSL and NSDL
Detailed Public Statement / DPS	Detailed Public Statement dated July 14, 2020, in connection with the Offer, published on behalf of the Acquirer and PAC on July 15, 2020
DIN	Director Identification Number
DP	Depository Participant
Draft Letter of Offer/DLoF	This Draft Letter of Offer dated July 22, 2020 filed with the SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations, 2011
DVR Shares	Fully paid-up equity shares with differential voting rights of the Target Company of face value of INR 1/- (Indian Rupee One only) each
Equity Shares	Fully paid-up ordinary equity shares of the Target Company of the face value of INR 1/- (Indian Rupee One only) each
Escrow Account	The account named “JVTR-OPEN OFFER-ESCROW ACCOUNT” opened with Escrow Bank in accordance with Regulation 17(4) of the SEBI (SAST) Regulations, 2011
Escrow Agreement	Escrow agreement dated July 09, 2020 entered into by the Acquirer, PAC with the Escrow Bank and the Manager to the Open Offer
Escrow Amount	The amount aggregating to INR 87,50,000 (Indian Rupees Eighty Seven Lakhs Fifty Thousand only) maintained by the Acquirer with the Escrow Bank in accordance with the Escrow Agreement
Escrow Bank	ICICI Bank Limited, acting through one of its branches at Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai-400020, Maharashtra, India
FEMA	Foreign Exchange Management Act, 1999, as amended
FII	Erstwhile Foreign Institutional Investor(s), as defined under Section 2(1)(f) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIPB	Erstwhile Foreign Investment Promotion Board or the Foreign Investment Facilitation Portal, and which shall include the erstwhile Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and which shall include the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
Form of Acceptance / FoA	Form of Acceptance cum Acknowledgement, accompanying with this Draft Letter of Offer
FPIs	Foreign Portfolio Investor(s), as defined under Regulation 2(j) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
FY	Financial Year
Identified Date	August 14, 2020 (Friday) i.e. the date falling on the 10 th Working Day prior to the commencement of the Tendering Period
Income Tax Act / IT Act	Income Tax Act, 1961, as amended from time to time
ISIN	International Securities Identification Number
Letter of Offer / LoF	The Letter of Offer dated [•], including the Form of Acceptance-cum-Acknowledgement, which shall be dispatched to the Public Shareholders of the Target Company

Manager to the Offer	Ashika Capital Limited
NA/ N.A.	Not Applicable
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NRI s	Non-Resident Indians
NSDL	National Securities Depositories Limited
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
Offer/Open Offer	Open offer being made by the Acquirer and the PAC to the Public Shareholders of the Target Company to acquire up to 7,44,28,650 (Seven Crore Forty Four Lakh Twenty Eight Thousand Six Hundred Fifty only) shares consisting of 5,95,42,920 (Five Crore Ninety Five Lakh Forty Two Thousand Nine Hundred and Twenty only) Equity Shares and 1,48,85,730 (One Crore Forty Eight Lakh Eighty Five Thousand Seven Hundred Thirty only) DVR Shares, representing 26% of the Voting Share Capital, at a price of INR 0.45/- (Forty Five Paise only) per Equity Share and INR 0.55/- (Fifty Five Paise only) per DVR Share
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirer and the PAC
Offer Period	Period from the date of release of Public Announcement to the date of payment of consideration
Offer Price	INR 0.45/- (Forty Five Paise only) per Equity Share and INR 0.55/- (Fifty Five Paise only) per DVR Share
Offer Shares	7,44,28,650 (Seven Crore Forty Four Lakh Twenty Eight Thousand Six Hundred Fifty only) shares consisting of 5,95,42,920 (Five Crore Ninety Five Lakh Forty Two Thousand Nine Hundred and Twenty only) Equity Shares and 1,48,85,730 (One Crore Forty Eight Lakh Eighty Five Thousand Seven Hundred Thirty only) DVR Shares representing 26% of the Voting Share Capital
Offer Size / Maximum Open Offer Consideration	INR 3,49,81,466/- (Indian Rupees Three Crores Forty Nine Lakh Eighty One Thousand Four Hundred and Sixty Six only), being the maximum consideration payable under this Offer assuming full acceptance
Overseas Tax	Tax payable in accordance with the tax laws applicable in the overseas jurisdiction in which the non-resident Public Shareholder is a resident for tax purposes
PAN	Permanent Account Number
Persons Acting in Concert / PAC	Person acting in concert with the Acquirer for this Offer i.e. Gayi Adi Management and Trends Private Limited
Promoter(s)	Promoter(s) of the Target Company and shall have the meaning ascribed to the term under the SEBI (SAST) Regulations, 2011
Promoter Group	Promoter Group of the Target Company and shall have the meaning ascribed to the term under the SEBI (SAST) Regulations, 2011
Promoter and Promoter Group	Promoter and Promoter Group of Stampede Capital Limited
Public Announcement / PA	The public announcement dated July 08, 2020 issued by the Manager on behalf of the Acquirer and the PAC, in connection with the Offer
Public Shareholders	All the shareholders of the Target Company excluding (i) the Promoter and members of the Promoter Group of the Target Company, (ii) the Acquire and PAC; and (iii) the persons acting in concert or deemed to be acting in concert, with the persons set out in (i) and (ii)
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Venture Capital and Corporate Investments Private Limited
Rs. / INR /	Indian Rupees, the legal currency of India
RTGS	Real Time Gross Settlement
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India

SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended
SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Share	The Equity Shares and / or DVR Shares of the Target Company, as applicable
Shareholders	The owners / holders of Equity Shares and / or DVR Shares of the Target Company, as applicable
Seller	Usha Rani Meenavalli
SPA / Share Purchase Agreement	The share purchase agreement dated July 08, 2020 executed by and between the Acquirer and the Seller
Stock Exchanges	BSE and NSE
Target Company	Stampede Capital Limited
Tendering Period	August 28, 2020 (Friday) to September 10, 2020 (Thursday), both days inclusive
Voting Share Capital	Total voting equity share 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 Open Offer
Working Day	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations, 2011

All capitalized terms used in this DLoF, but not otherwise defined above, shall have the meanings ascribed thereto or, where no definition has been specified, in the SEBI (SAST) Regulations, 2011.

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 SEBI (SAST) REGULATIONS, 2011. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF STAMPEDE CAPITAL LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER AND PAC OR THE TARGET COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER AND PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER AND PAC DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, ASHIKA CAPITAL LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 22, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS, 2011. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 BACKGROUND OF THE OFFER

- a. This Offer, being a mandatory open offer, is being made by the Acquirer and PAC to the Public Shareholders in compliance with the provisions of Regulation 3(1) and Regulation 4 and other applicable regulations of the SEBI (SAST) Regulations, 2011 pursuant to the execution of the Agreement to acquire the shares / voting rights accompanied with control of and over the Target Company.
- b. The Acquirer has entered into a Share Purchase Agreement dated June 29, 2018 ('**Agreement**') with the Seller, who is part of Promoter and Promoter Group of the Target Company, wherein it is agreed that the Acquirer shall acquire 5,82,071 Equity Shares and 95,725 DVR Shares (hereinafter collectively referred to as "**Sale Shares**"), constituting 0.25% of Voting Share Capital accompanied with control of and over the Target Company, held by the Seller, at a price of INR 0.40/- (Forty Paise only) per Sale share ('**Negotiated Price**') for a total consideration of INR 2,71,118/- (Indian Rupees Two Lakhs Seventy One Lakhs One Hundred and Eighteen only) ('**Purchase Consideration**'), payable in cash, subject to the conditions and in accordance with the terms of the Agreement.
- c. The proposed sale and purchase of shares under the Agreement is referred to as the "**Underlying Transaction**". A tabular summary of the Underlying Transaction is set out below:

Type of Transaction (Direct/ Indirect)	Mode of Transaction (Agreement/ Allotment/ Market Purchase)	Shares/Voting Rights acquired / proposed to be acquired		Total Consideration for Equity Shares / Voting Rights acquired (Rs. in Lakhs)	Mode of Payment (Cash/ Securities)	Regulation which has triggered
		Number	% vis a vis Equity Shares / Voting Rights			
Direct	Share Purchase Agreement dated July 08, 2020 (" Agreement ") entered into between the Acquirer and the Seller	5,82,071 Equity Shares & 95,725 DVR Shares	0.25% of Voting Share Capital	2.71	Cash	3(1) & (4) of the SEBI (SAST) Regulations, 2011

- d. The key terms and conditions of the Agreement are as follows:
- Under the terms of the SPA, the Acquirer has agreed to acquire the Sale Shares from the Seller at a price of INR 0.40 (Forty Paise only) per Sale Share, payable in cash, subject to the satisfaction of conditions as set out in the SPA.
 - The acquisition of shares under the SPA is subject to the fulfilment of the conditions precedent agreed between the Acquirer and the Seller in the SPA, including the receipt all regulatory and statutory approvals for acquisition of the shares and compliance with the SEBI (SAST) Regulations, 2011.
- e. As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the Board of Directors of the Target Company, upon receipt of the Detailed Public Statement, is required to constitute a committee of independent directors who would provide its written reasoned recommendations on the Offer to the Public Shareholders of the Target Company. The reasoned recommendations shall be published at least 2 (two) working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published and simultaneously a copy of such recommendations is required to be sent to SEBI, the Stock Exchanges and to the Manager to the Offer and in case of a Competing Offer/s to the Manager/s to the Open Offer for every Competing Offer.

3.2 DETAILS OF THE OFFER

- a. The Public Announcement in connection with the Open Offer, in accordance with the Regulations 3(1) and 4 read with Regulations 13, 14 and 15 of the SEBI (SAST) Regulations, 2011, was made and filed with Stock Exchanges on July 08, 2020 and a copy of thereof was also filed with SEBI and the Target Company on July 09, 2020.
- b. The Detailed Public Statement, in accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, 2011, was published on July 15, 2020, in the following newspapers:

Publication	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai
Nava Telangana	Telugu	Hyderabad

A copy of the PA and DPS are available on the SEBI website at <http://www.sebi.gov.in>.

- c. Simultaneously with the publication of DPS in the newspapers, a copy of the DPS was filed, through the Manager to the Offer, with SEBI, Stock Exchanges and the Target Company.
- d. This Offer is being made by the Acquirer and the PAC to the Public Shareholders, to acquire up to 7,44,28,650 (Seven Crore Forty Four Lakh Twenty Eight Thousand Six Hundred Fifty only) shares (“**Offer Shares**”), consisting of 5,95,42,920 (Five Crore Ninety Five Lakh Forty Two Thousand Nine Hundred and Twenty only) Equity Shares and 1,48,85,730 (One Crore Forty Eight Lakh Eighty Five Thousand Seven Hundred Thirty only) DVR Shares, constituting 26% of the Voting Share Capital of the Target Company (“**Offer Size**”), at a price of INR 0.45/- (Forty Five Paise only) per Equity Share and INR 0.55/- (Fifty Five Paise only) per DVR Share aggregating to a total consideration of INR 3,49,81,466/- (Indian Rupees Three Crores Forty Nine Lakh Eighty One Thousand Four Hundred and Sixty Six only) (“**Maximum Open Offer Consideration**”).
- e. The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
- f. If the aggregate number of shares validly tendered in this Open Offer by the Public Shareholders is more than the Offer Size, then the shares validly tendered by the Public Shareholders will be accepted 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 the acquisition of shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot for the shares for the purpose of this Offer shall be 1 (one) only.
- g. The Target Company does not have any partly paid-up shares and there are no outstanding convertible securities, depository receipts, warrants, options or similar instruments, issued by the Target Company, convertible into Equity Shares and/or DVR Shares at a later stage.

- h. All the shares validly tendered by the Public Shareholders in this Open Offer, will be acquired by the Acquirer and PAC, fully paid-up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, and in accordance with the terms and conditions set forth in the PA, this DPS and as will be set out in the LoF, and the tendering Public Shareholders shall have obtained all necessary consents for it to sell the Offer Shares on the foregoing basis.
- i. The Public Shareholders who tender their shares in this Open Offer shall ensure that the shares are clear from all liens, charges and encumbrances. The Acquirer and PAC shall only acquire the shares from the Public Shareholders who have validly tendered their shares in this Open Offer, together with all rights attached thereto, including all rights to dividend, bonus and rights declared thereof.
- j. As on the date of this Draft Letter of Offer, to the best of the knowledge and belief of the Acquirer and the PAC, except as mentioned under Statutory and other Approvals of this Draft Letter of Offer, there are no statutory approval(s) required by the Acquirer and the PAC to complete the acquisition of shares pursuant the Underlying Transaction and this Offer. However, in case of any other statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period, this Offer would be subject to the receipt of such approvals.
- k. In the event that such statutory approvals are not received or refused for any reason, or if the conditions precedent as specified in the SPA (which are outside the reasonable control of the Acquirer and the PAC) are not satisfied, the Acquirer and / or the PAC shall have the right to withdraw this Open Offer in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. In the event of withdrawal of this Offer, a public announcement will be made by the Acquirer and PAC (through the Manager to the Offer), within 2 (two) Working Days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company.
- l. If Public Shareholders who are not persons resident in India (including non-resident Indians (“NRI”), overseas corporate bodies (“OCB”) and foreign institutional investors (“FIIs”)/Foreign Portfolio Investors (“FPIs”)) had required any approvals (including from the Reserve Bank of India (“RBI”), or any other regulatory body) in respect of the shares held by them, they will be required to submit such previous approvals, that they would have obtained for acquiring / holding the shares, in order to tender the shares held by them in this Open Offer, along with the other documents required to be furnished to tender shares in this Open Offer. In the event such approvals and relevant documents are not submitted, the Acquirer and the PAC reserve their right to reject such shares tendered in this Open Offer.
- m. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- n. The Offer Price may be subject to upward revision on account of subscription/purchases/competing offers, if any, pursuant to the SEBI (SAST) Regulations, 2011 or at the discretion of the Acquirer and the PAC, at any time prior to 1 (One) Working Day before the commencement of the tendering period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011. In the event of such revision, the Acquirer and PAC are required to (i) make corresponding increases to the amount kept in the Escrow Account, as set out in this Draft Letter of Offer; (ii) make a public announcement in the newspapers where this DPS is published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision in terms of regulation 18(5) of the SEBI (SAST) Regulations, 2011.
- o. There is no differential pricing for this Open Offer and there has been no competing offer to this Offer as of the date of this Draft Letter of Offer.
- p. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011 and there has been no competing offer as on the date of the Letter of Offer.
- q. The Open Offer is unconditional and not subject to any minimum level of acceptance from the shareholders of the Target Company, in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011.

- r. This Open Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- s. The Acquirer and/or the PAC have not acquired any shares of the Target Company between the date of the PA, and the date of this Draft Letter of Offer.
- t. The Manager to the Offer does not hold any shares in the Target Company as on the date of this DPS. The Manager to the Offer further declares and undertakes not to deal, on its own account, in the shares of the Target Company during the Offer Period.
- u. As per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the SCRR, the Target Company is required to maintain at least 25% (twenty five percent) public shareholding ('**Minimum Public Shareholding**'), as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to completion of this Open Offer, the Underlying Transaction and acquisition of shares, if any, during the Offer Period, in the event that the public shareholding of the Target Company falls below the minimum public shareholding requirement as per SCRR, as amended, and the SEBI (LODR) Regulations ("**MPS Requirement**"), the Acquirer and the PAC undertake to take necessary steps (or cause the other promoters of the Target Company to take necessary steps) to bring down the non-public shareholding in the Target Company, to the level specified within the time prescribed in, and in accordance with the SCRR, SEBI (SAST) Regulations, 2011 and other applicable SEBI guidelines / regulations. i.e. to bring down the non-public shareholding to 75% (seventy five percent) within 12 (twelve) months from the date of such fall in the public shareholding to below 25%, through permitted routes and any other such routes as may be approved by SEBI from time to time.

3.3 OBJECT OF THE OFFER

- a. The Offer is being made as a result of the acquisition of shares / voting rights accompanied with control of and over the Target Company by the Acquirer and the PAC resulting in a change of control of the Target Company in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011.
- b. Following the completion of the Open Offer, the Acquirer and PAC intends to focus with the management of the Target Company to improve the value of the Target Company. The acquisition also aligns with the objective of acquiring a listed company which will help with the Acquirer's long term expansion and growth plans.
- c. Currently, the Acquirer and the PAC do not have any intention to dispose-off or otherwise encumber any material assets or investments of the Target Company, through sale, lease, encumbrance, reconstruction, restructuring or otherwise, other than (a) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business or financing requirements), or (b) as already agreed, disclosed and/or publicly announced by the Target Company, or (c) on account of regulatory approvals or conditions, or compliance with any law that is or becomes binding on or applicable to the operations of the Target Company.

If the Acquirer and the PAC intends to alienate any material asset of the Target Company (*other than as disclosed above*) within a period of 2 (two) years from the date of completion of this Open Offer, a special resolution of the shareholders of the Target Company, through Special Resolution passed by way of postal ballot, in accordance with proviso to Regulation 25(2) of the SEBI (SAST) Regulations, 2011 would be taken before undertaking any such alienation of any material assets.

- d. Subsequent to the completion of the Open Offer, the Acquirer and the PAC reserve the right to streamline/restructure the operations, assets, liabilities and/ or businesses of the Target Company through arrangement/reconstruction, restructuring, buybacks, merger, demerger and/ or sale of assets or undertakings, after completion of the Open Offer. The Acquirer and/or the PACs may also consider disposal of or otherwise encumbering any assets or investments of the Target Company through sale, lease, reconstruction, restructuring and/ or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalising the assets, investments or liabilities of the Target Company, to improve operational efficiencies and for other commercial reasons. The board of directors of the Target Company will take decisions on these matters in accordance with the requirements of the business of the Target Company in line with opportunities or changes in economic circumstances, from time to time and in accordance with and as permitted by applicable law.

- e. The Acquirer and the PAC reserves the right to reconstitute the board of directors of the Target Company in accordance with the provisions of the SEBI (SAST) Regulations, 2011, the Companies Act, 2013 and other applicable law.

4. BACKGROUND OF THE ACQUIRER & PAC

1. Jonna Venkata Tirupati Rao (“Acquirer”):

- a. Jonna Venkata Tirupati Rao, an Indian resident individual, son of Venkat Rao Jonna, aged about 41 years, is currently residing at Villa No. 39, Manjeera Smart Homes, Quthubullapur, Hyderabad-500055. He completed his graduation in Business Management from Nagarjuna University. He is having around 18 years of experience in financial services sector.
- b. The networth of the Acquirer as on July 08, 2020, as certified by Mr. N N V Satish (Membership No. 218382), Partner of M/s. N N V Satish & Co., Chartered Accountants (FRN: 011474S), having office at B-12, Second Floor, Street No. 3, Indian Airlines Employees Colony, Begumpet, Secunderabad-500003; Tel.: +91-40-27890005; Telefax: +91-40-27890815; E-mail: satish@casatish.com vide certificate dated July 08, 2020, is INR 4,07,97,000/- (Indian Rupees Four Crores Seven Lakhs and Ninety Seven Thousand only).
- c. As on date of this DLoF, the Acquirer is a Director in PAC, Gayi Adi Finance and Investment Services Private Limited and G. S. V. Securities Private Limited. Other than the above, the Acquirer do not hold directorship(s) in any other listed or unlisted company and not holding whole time director position in any company.

2. Gayi Adi Management and Trends Private Limited (“PAC”):

- a) The PAC, Gayi Adi Management and Trends Private Limited, a private limited company, was incorporated under the provisions of the Companies Act, 2013 on May 24, 2018. There has been no change in the name of the PAC since its incorporation. The registered office of the PAC is located at Villa No. 39, Manjeera Smart Homes, Quthubullapur, Hyderabad- 500055. The Corporate Identification Number (“CIN”) of the PAC is U17299TG2018PTC124707.
- b) The PAC is primarily engaged in the business of textiles manufacturing and financial services.
- c) As on date, the authorized share capital of the PAC is INR 1.00 Lakhs comprising of 10,000 equity shares of face value of INR 10/- each and the issued and paid up share capital of the PAC is INR 1.00 Lakh divided into 10,000 equity shares of face value of INR 10/- each.
- d) As on date, the key shareholders and person in control of the PAC 2 are Mr. Jonna Venkata Tirupati Rao, Ms. Shaik Haseena and Mr. Naveen Parashar.
- e) The equity shares of the PAC are not listed on any stock exchange in India or abroad.
- f) The Shareholding Pattern of the PAC, as on date, is as under:

S. No.	Shareholder’s Category	No. of Equity Shares	%
1.	Promoter & Promoter Group		
	Jonna Venkata Tirupati Rao	3,500	35.00
	Shaik Haseena	3,500	35.00
	Naveen Parashar	3,000	30.00
2.	FII/ Mutual-Funds/ FIs/Banks	-	-
3.	Public	-	-
	TOTAL	10,000	100.00

g) The details of Board of Directors of the PAC, as on the date, are as follows:

Name of Director	Designation	Date of Appointment	Director Identification Number (DIN)	Qualification & Experience
Jonna Venkata Tirupati Rao	Director	May 24, 2018	07125471	Bachelor of Business Management with 18 years of experience in financial services and stock broking activities
Shaik Haseena	Director	May 24, 2018	08141400	Master of Business Administration with a decade of experience in financial services and textile manufacturing activities
Naveen Parashar	Director	January 16, 2020	08399097	Master of Business Administration with 18 years of experience in financial services and stock broking activities

None of the above directors are on the Board of Director of the Target Company, as of the date of this Draft Letter of Offer.

h) The Key Financial Information of the PAC, based on the audited financial statements for the financial year ended March 31, 2019 and based on certified financial statements for the period/year ended March 31, 2020 are as follows:

Profit & Loss Statements:

(Rs. in Lakhs)

Particulars	Financial Year ended 31.03.2020	Financial Year ended 31.03.2019
Revenue from Operations	4,969.97	42.62
Other Income	12.98	-
Total Income	4,982.95	42.62
Total Expenditure	3,077.99	26.03
Profit/(Loss) Before Depreciation, Interest and Tax	1,904.96	16.59
Finance Cost	3.74	-
Depreciation and Amortization Expenses	7.54	0.19
Profit/ (Loss) Before Tax	1,893.68	16.40
Tax Expenses:	546.43	4.32
<i>Current Tax</i>	<i>546.43</i>	<i>4.28</i>
<i>Deferred Tax</i>	<i>-</i>	<i>0.04</i>
<i>MAT Credit Utilized</i>	<i>-</i>	<i>-</i>
Profit/ (Loss) after Tax	1,347.25	12.08

Balance Sheet Statement:

(Rs. in Lakhs)

Particulars	For period/year ending 31.03.2018	Financial Year ended 31.03.2017
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	1.00	1.00
Reserves & Surplus (excluding revaluation reserves)	1,359.33	12.09
NETWORTH	1,360.33	13.09

Non-Current Liabilities	0.04	0.04
Current Liabilities	926.08	3.94
TOTAL	2,286.45	17.07
ASSETS		
Non-Current Assets	713.33	0.68
Current Assets	1573.12	16.39
TOTAL	2,286.45	17.07

Other Financial Data:

Particulars	For period/year ending 31.03.2018	Financial Year ended 31.03.2017
Dividend (%)	-	-
Earnings per Share (Rs.)	1347.25	12.09
Book Value per Equity Share (Rs.)	13603.30	130.85
Return on Net worth/Equity (%)	99.03	92.36

Net Worth = Paid-up Share Capital + Reserves and Surplus

Earnings per Share = Profit/ (Loss) after Tax / Equity Shares outstanding at the end of respective period

Return on Net worth = Profit/ (Loss) after Tax / Net Worth

Financial information of the PAC has been provided for the last two years since the same was incorporated in the financial year 2018-19.

There are no contingent liabilities of the PAC, as mentioned in its audited financial statements as of and for the financial year ended March 31, 2019.

- The Acquirer is the Promoter and Director of PAC. The Acquirer and PAC are not part of any Group.
- Neither the Acquirer nor PAC and its directors acquired, directly or indirectly any shares of Target Company during the 52 weeks period prior to the date of PA except 6,34,00,000 shares consisting of 3,90,00,000 Equity Shares and 2,44,00,000 DVR Shares, being acquired by PAC, representing 17.04% Voting Share Capital of the Target Company through off-market purchase at an average price of INR 0.40 per Equity Share and INR 0.22 per DVR Share. Further, the Acquirer and PAC have not acquired any Equity Shares and/or DVR Shares of the Target Company after the date of the PA.
- The Acquirer and PAC are neither the Promoters nor a part of the Promoter Group of the Target Company.
- Save and except for the PAC, no other person is acting in concert with the Acquirer for the purposes of this Offer.
- The Acquirer and PAC have not entered into any formal agreement with respect to the acquisition of shares through this Offer and are acting together under an informal understanding.
- Details of other ventures promoted/controlled/managed by the Acquirer and PAC are as under:

Name of the Company	Nature of Business
Gayi Adi Finance and Investment Services Private Limited	To carry on the business of financial services.
G. S. V. Securities Private Limited	To carry on the business of stock broking services

- The Acquirer and PAC have confirmed that they are not categorized as a 'willful defaulter' in terms of regulation 2(1) (ze) of the SEBI (SAST) Regulations, 2011 and have not been prohibited by SEBI from dealing in securities, in terms of any directions issued under section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

5. BACKGROUND OF TARGET COMPANY

- a) Stampede Capital Limited (“**Target Company**”) was originally incorporated as ‘Brilliant Securities Limited’, under the provisions of the Companies Act, 1956, on April 28, 1995. The Target Company received the Certificate of Commencement of Business on May 16, 1995. The name of the Target Company was later changed to ‘Stampede Capital Limited’ and a Fresh Certificate of Incorporation Consequent upon change of Name was issued on July 19, 2011. There has been no change in name of the Target Company in the last 3 (three) years.
- b) The Target Company was acquired by the present promoters through a Share Purchase Agreement entered with the erstwhile promoters on January 21, 2008 and made an Open Offer, in accordance with Regulations 10 and 12 of the SEBI (SAST) Regulations, 1997, to then public shareholders of the Target Company.
- c) The Target Company has its registered office at Flat No. 1003, 10th Floor, Block-A, Royal Pavilion Apartment, H. No. 6-3-787, Ameerpet, Hyderabad-500016, Ranga Reddy District, Telangana, India. The CIN of the Target Company is L67120TG1995PLC020170.
- d) The Target Company is primarily engaged in the business of stock broking and a research driven Global Trading House specialized in Data Handling, Data Processing and Data Management and also specialized in the field of commodity trading across the markets.
- e) The Target Company is member of BSE Limited (“**BSE**”), National Stock Exchange of India Limited (“**NSE**”), Metropolitan Stock Exchange of India Limited (“**MSEI**”) and Indian Commodity Exchange Limited (“**ICEX**”) and registered with SEBI as a Stock Broker for Equity-NSE & BSE, Derivatives (Futures & Options)-BSE, Commodities-BSE and Currency-BSE, MSEI, and ICEX vide its Registration Number: INZ000247038. The Target Company is also registered with SEBI as a Portfolio Manager vide Registration Number: INP000006864.
- f) The authorized share capital of the Target Company is INR 34,00,00,000/- divided into 27,00,00,000 Equity Shares and 7,00,00,000 DVR Shares. The issued, subscribed and paid-up share capital of the Target Company is INR 28,62,64,000/- consisting of 22,90,11,200 Equity Shares and 5,72,52,800 DVR Shares.
- g) The DVR Shares rank pari passu with the Equity Shares except as to the differential rights as to voting i.e. a right to 1 (One) vote for every 1000 DVR Shares as compared to 1 (One) vote for every 1 Equity Share.
- h) The share capital structure of the Target Company is as follows:

Paid-up Shares of Target Company	No. of Shares / Voting Rights	% Shares / Voting Rights
Fully Paid-up Equity Shares	22,90,11,200 / 22,90,11,200	80.00% / 99.98%
Fully Paid-up DVR Shares	5,72,52,800 / 57,253	20.00% / 0.02%
Partly Paid-up Equity Shares	Nil	Nil
Partly Paid-up DVR Shares	Nil	Nil
Total Paid-up Equity Shares	22,90,11,200 / 22,90,11,200	80.00% / 99.98%
Total Paid-up DVR Shares	5,72,52,800 / 57,253	20.00% / 0.02%
Total Shares/Voting Rights in Target Company	28,62,64,000 / 22,90,68,453	100.00% / 100.00%

- i) The Target Company does not have any partly paid-up shares and there are no outstanding convertible securities, depository receipts, warrants, options or similar instruments, issued by the Target Company, convertible into Equity Shares and/or DVR Shares at a later stage.
- j) The Target Company had proposed a Capital Reduction through a Scheme of Arrangement (“**Scheme**”) and the same is under process and pending with Stock Exchanges/SEBI as on date. As per the Scheme, it was proposed that the paid up Equity Share Capital as on March 31, 2019 shall be reduced by writing off accumulated losses/ debit balance of Profit and Loss Account after obtaining necessary approvals, consents, permissions, etc. The Scheme would enable the Company to reflect better financial position in its Balance Sheet. This would subsequently enable the company to raise required finance to enable the company to develop its business activities and thereby increase its networth as well as enhance the stakeholder's value.

The pre and post Scheme capital structure of the Target Company, would be as follows:

Particulars	Pre - Scheme	Post - Scheme
Equity Shares	22,90,11,200	9,16,04,480
DVR Shares	5,72,52,800	2,29,01,120
Total Paid-up Capital	28,62,64,000	11,45,05,600

- k) The Equity Shares and DVR Shares are listed and permitted to trade on BSE (Equity Shares: Scrip ID: STAMPEDE; Scrip Code: 531723; DVR Shares: Scrip ID: SCAPDVR; Scrip Code: 570005) and NSE (Equity Shares: Symbol: STAMPEDE; DVR Shares: Symbol: SCAPDVR). The International Securities Identification Number (“ISIN”) of the Equity Shares of the Target Company is INE224E01028 and and DVR Shares of the Target Company INE224E01036.
- l) The trading of the Equity Shares and DVR Shares of the Target Company is not currently suspended by the Stock Exchanges. However, the trading in Equity Shares is under Graded Surveillance Measures (GSM) : Stage IV at BSE & NSE.
- m) The Equity Shares and DVR Shares are frequently traded on NSE, in terms of regulation 2(1) (j) of the SEBI (SAST) Regulations, 2011.
- n) All the outstanding Equity Shares and DVR Shares of the Target Company are listed and admitted for trading at BSE and NSE.
- o) As on date, no Equity Shares and / or DVR Shares of the Target Company are under lock-in.
- p) **Details of the Board of Directors of Target Company:**

As on date, the Directors representing the Board of Target Company are:

Name of Director	Designation	Date of Appointment	Director Identification Number(DIN)
Mr. Srinivas Maya	Non-Executive Director	January 24, 2020	08679514
Mr. Satya Srikanth Karaturi	Independent Director	October 30, 2019	07733024
Mr. Venkata Krishnayya Nekkanti	Independent Director	August 08, 2019	07733209
Mr. Chukka Siva Satya Srinivas	Independent Director	April 30, 2019	07177166
Mr. Sudheer Vegi	Executive Director	February 14, 2018	08070785
Ms. Chukka Lakshmi	Non-Executive Woman Director	March 20, 2017	07733231

- q) There has been no merger / de-merger or spin off taken place in the Target Company during the past 3 (three) years.
- r) The Key Financial Information of the Target Company, as submitted by the Target Company to the Stock Exchanges and based on audited consolidated financial statements as at and for the 12 month period ended March 31, 2017 and March 31, 2018, which has been audited by the Company’s then Statutory Auditor, Sarath & Associates, Chartered Accountants and the audited consolidated financial statements as at and for the 12 (twelve) month period ended March 31, 2019 and audited standalone financial statements as at and for the 12 (twelve) month period ended March 31, 2020, which has been audited by the Company’s current Statutory Auditor, Navitha and Associates, Chartered Accountants, are as follows:

Statement of Profit and Loss:
(Rs. in Lakhs, except per share data)

Particulars	As at and for Financial Year ended March 31, 2020	As at and for Financial Year ended March 31, 2019	As at and for Financial Year ended March 31, 2018	As at and for Financial Year ended March 31, 2017
	Standalone	Consolidated	Consolidated	Consolidated
Revenue from Trading	176.67	15698.54	23009.78	38546.93
Other Income	5.87	541.14	323.66	21.75
Total Income	182.54	16239.68	23333.44	38568.68
Total Expenditure	471.36	17850.52	22204.65	29330.38
Profit/(Loss) before Depreciation, Interest & Tax	(288.82)	(1610.84)	1128.78	9238.60
Finance Cost	(0.01)	43.57	82.40	0.34
Depreciation and Amortization Expenses	166.07	1294.29	2879.77	2812.66
Profit/ (Loss) Before Exceptional, Extraordinary Items and Tax	(454.88)	(2948.71)	(1833.39)	6425.60
Exceptional Items	-	2122.54	-	-
<i>Software written off</i>	-	<i>1982.56</i>	-	-
<i>Loss on disposal of fixed assets</i>	-	<i>519.95</i>	-	-
<i>Foreign exchange translation reserve</i>	-	<i>(379.97)</i>	-	-
Profit/ (Loss) Before Extraordinary Items and Tax	(454.88)	(5071.24)	(1833.39)	6425.60
Extraordinary Item	375.00	214.92	-	-
<i>Provision for impairment in the investment of associate</i>	-	<i>89.92</i>	-	-
<i>Provision for impairment in the investments</i>	<i>375.00</i>	<i>125.00</i>	-	-
Profit/ (Loss) Before Tax	(829.88)	(5286.16)	(1833.39)	6425.60
Tax Expenses	(2.09)	104.06	209.43	1631.63
<i>Current Tax</i>	-	<i>(0.12)</i>	<i>19.23</i>	<i>31.15</i>
<i>MAT Credit</i>	-	-	-	<i>(14.08)</i>
<i>Deferred Tax charge/(credit)</i>	-	<i>(69.75)</i>	<i>(228.67)</i>	<i>1614.57</i>
Profit/ (Loss) for the year before minority Interest	(827.79)	(5216.29)	(1623.95)	4793.97
Minority Interest	-	925.98	3669.87	1473.66
Profit / (Loss) for the year	-	(6142.27)	(5293.82)	3320.31
Other Comprehensive Income	-	-	233.94	-
Total comprehensive income for the period	(827.79)	(6142.27)	(5059.88)	3320.31

Balance Sheet:
(Rs. in Lakhs, except per share data)

Particulars	As at and for Financial Year ended March 31, 2020	As at and for Financial Year ended March 31, 2019	As at and for Financial Year ended March 31, 2018	As at and for Financial Year ended March 31, 2017
	Standalone	Consolidated	Consolidated	Consolidated
EQUITIES AND LIABILITIES				
Paid up Share Capital	2862.64	2862.64	2862.64	2862.64
<i>Equity Shares with ordinary voting rights</i>	<i>2290.11</i>	<i>2290.11</i>	<i>2290.11</i>	<i>2290.11</i>
<i>Equity Shares with differential voting rights</i>	<i>572.53</i>	<i>572.53</i>	<i>572.53</i>	<i>572.53</i>
Reserves & Surplus / Other Equity	(2557.04)	(1817.24)	4226.17	13621.74
NETWORTH	305.60	1045.40	7088.81	16484.38

Minority Interest / Non controlling Interest	-	-	-	2079.67
Non-Current Liabilities	131.20	282.93	11126.14	1595.09
Current Liabilities	148.50	2242.01	2543.89	8355.29
TOTAL	585.30	3570.34	20758.84	28514.43
ASSETS				
Non-Current Assets	121.89	1153.46	5752.96	10686.34
Current Assets	463.41	2416.88	15005.88	17828.09
TOTAL	585.30	3570.34	20758.84	28514.43

Other Financial Data

(Rs. in Lakhs, except per share data)

Particulars	Financial Year ended 31.03.2020	Financial Year ended 31.03.2019	Financial Year ended 31.03.2018	Financial Year ended 31.03.2017
Dividend (%)	-	-	-	-
EPS (Rs.)				
Basic	(0.289)	(2.15)	(1.85)	1.16
Diluted	(0.289)	(2.15)	(1.85)	1.16
Book Value per Share (Rs.)	0.11	0.37	2.48	5.76
Return on Networth/Equity (%)	(270.87)	(587.55)	(74.68)	20.14

Net Worth = Paid-up Share Capital + Reserves and Surplus

Earnings per Share = Profit/ (Loss) after Tax / Equity Shares outstanding at the end of respective period

Return on Net Worth = Profit/ (Loss) after Tax / Net Worth

No consolidated financial information is given for the financial year 2019-20, as the subsidiaries of the Target Company ceased to exist during the financial year 2019-20.

s) Pre and Post-Offer Shareholding Pattern of the Target Company as on date is as follows:

Based on Equity Shares:

Shareholders' Category	Equity Shareholding prior to the Agreement/ acquisition and Offer		Equity Shares agreed to be Acquired which triggered off the Regulations		Equity Shares to be Acquired in Offer (assuming full acceptances)		Equity Shareholding after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group								
a) Parties to Agreement:								
Usha Rani Meenavalli	5,82,071	0.25	(5,82,071)	(0.25)	Nil	N. A.	Nil	N. A.
b) Promoters other than (a) above	Nil	N. A.	Nil	N. A.	Nil	N. A.	Nil	N. A.
Total 1 (a+b)	5,82,071	0.25	(5,82,071)	(0.25)	Nil	N. A.	Nil	N. A.
2. Acquirer & PAC								
a) Mr. Jonna Venkata Tirupati Rao (Acquirer)	Nil	N. A.	5,82,071	0.25				
b) Gayi Adi Management and Trends Private Limited (PAC)	3,90,00,000	17.03	Nil	N. A.	5,95,42,920	26.00	9,91,24,991	43.28
Total 2 (a+b)	3,90,00,000	17.03	5,82,071	0.25	5,95,42,920	26.00	9,91,24,991	43.28
3. Parties to agreement other than (1) (a) & (2)	-	-	-	-	-	-	-	-
4. Public[#] (other than parties to Agreement, Acquirer & PAC)								
a) FIs / MFs / FIIs / Banks, SFIs, ARCs	18,94,29,129	82.72	Nil	N. A.	(5,95,42,920)	(26.00)	12,98,86,209	56.72
b) Others								
Total 4 (a+b)	18,94,29,129	82.72	Nil	N. A.	(5,95,42,920)	(26.00)	12,98,86,209	56.72
GRAND TOTAL (1+2+3+4)	22,90,11,200	100.00	Nil	N. A.	Nil	N. A.	22,90,11,200	100.00

Based on DVR Shares:

Shareholders' Category	DVR Shareholding prior to the Offer		DVR Shares agreed to be Acquired which triggered off the Regulations		DVR Shares to be Acquired in Offer (assuming full acceptances)		DVR Shareholding after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group								
a) Parties to Agreement:								
Usha Rani Meenavalli	95,725	0.17	(95,725)	(0.17)	Nil	N. A.	Nil	N. A.
b) Promoters other than (a) above	Nil	N. A.	Nil	N. A.	Nil	N. A.	Nil	N. A.
Total 1 (a+b)	95,725	0.17	(95,725)	(0.17)	Nil	N. A.	Nil	N. A.
2. Acquirer & PAC								
a) Mr. Jonna Venkata Tirupati Rao (Acquirer)	Nil	N. A.	95,725	0.17				
b) Gayi Adi Management and Trends Private Limited (PAC)	2,44,00,000	42.62	Nil	N. A.	1,48,85,730	26.00	3,93,81,455	68.79
Total 2	2,44,00,000	42.62	95,725	0.17	1,48,85,730	26.00	3,93,81,455	68.79
3. Parties to agreement other than (1) (a) & (2)	-	-	-	-	-	-	-	-
4. Public[#] (other than parties to Agreement, Acquirer & PAC)								
a) FIs / MFs / FIIs / Banks, SFI, ARCs	3,27,57,075	57.21	Nil	N. A.	(1,48,85,730)	(26.00)	1,78,71,345	31.21
b) Others								
Total 4 (a+b)	3,27,57,075	57.21	Nil	N. A.	(1,48,85,730)	(26.00)	1,78,71,345	31.21
GRAND TOTAL (1+2+3+4)	5,72,52,800	100.00	Nil	Nil	Nil	Nil	5,72,52,800	100.00

Based on Voting Rights:

Shareholders' Category	Voting Rights prior to the Offer		Voting Rights agreed to be Acquired which triggered off the Regulations		Voting Rights to be Acquired in Offer (assuming full acceptances)		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:								
Usha Rani Meenavalli	5,82,167	0.25	(5,82,167)	(0.25)	Nil	N. A.	Nil	N. A.
b) Promoters other than (a) above	Nil	N. A.	Nil	N. A.	Nil	N. A.	Nil	N. A.
Total 1 (a+b)	5,82,167	0.25	(5,82,167)	(0.25)	Nil	N. A.	Nil	N. A.
2. Acquirer & PAC								
(i) Mr. Jonna Venkata Tirupati Rao (Acquirer)	Nil	N. A.	5,82,167	0.25				
(ii) Gayi Adi Management and Trends Private Limited (PAC)	3,90,24,400	17.04	Nil	N. A.	5,95,57,806	26.00	3,93,81,455	68.79
Total 2	3,90,24,400	17.04	5,82,167	0.25	5,95,57,806	26.00	3,93,81,455	68.79
3. Parties to agreement other than (1) (a) & (2)	-	-	-	-	-	-	-	-
4. Public[#] (other than parties to Agreement, Acquirer & PAC)								
c) FIs / MFs / FIIs / Banks, SFI, ARCs	18,94,61,886	82.71	Nil	N. A.	(5,95,57,806)	(26.00)	12,99,04,080	56.71
d) Others								
Total 4 (a+b)	18,94,61,886	82.71	Nil	N. A.	(5,95,57,806)	(26.00)	12,99,04,080	56.71
GRAND TOTAL (1+2+3+4)	22,90,68,453	100.00	Nil	Nil	Nil	Nil	22,90,68,453	100.00

t) **Details of Compliance Officer:**

Mr. Abhishek Jain, Company Secretary & Compliance Officer
Flat No. 1003, 10th Floor, Block-A, Royal Pavilion Apartment,
H. No. 6-3-787, Ameerpet, Hyderabad-500016;
Tel.: +91-40-2340 5683/84; Telefax: +91-40-2340 5684; E-mail: cs@stampedecap.com

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

- This Offer is a mandatory open offer being made in compliance with the provisions of Regulation 3(1) and Regulation 4 and other applicable regulations of the SEBI (SAST) Regulations pursuant to the acquisition of the shares / voting rights accompanied with control of and over the Target Company.
- This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of equity shares of the Target Company.
- The Equity Shares and DVR Shares are listed and permitted to trade on BSE (Equity Shares: Scrip ID: STAMPEDE; Scrip Code: 531723; DVR Shares: Scrip ID: SCAPDVR; Scrip Code: 570005) and NSE (Equity Shares: Symbol: STAMPEDE; DVR Shares: Symbol: SCAPDVR). The International Securities Identification Number (“ISIN”) of the Equity Shares of the Target Company is INE224E01028 and DVR Shares of the Target Company INE224E01036.
- The trading turnover in the shares, based on trading volumes during the 12 (twelve) calendar months prior to the month of PA (July, 2019 to June, 2020), on BSE and NSE, is as given below

Equity Shares:

Name of Stock Exchange	No. of Equity Shares Traded	Weighted Average Number of Listed Equity Shares	Trading Turnover (in terms of % to listed equity shares)
BSE	1,12,28,207	22,90,11,200	4.9%
NSE	5,02,42,084	22,90,11,200	21.94%

(Source: <https://www.bseindia.com/> & <https://www.nseindia.com/>)

DVR Shares:

Name of Stock Exchange	No. of DVR Shares Traded	Weighted Average Number of Listed DVR Shares	Trading Turnover (in terms of % to listed equity shares)
BSE	15,63,936	5,72,52,800	2.73%
NSE	3,23,70,062	5,72,52,800	56.54%

(Source: <https://www.bseindia.com/> & <https://www.nseindia.com/>)

- Based on the above, in terms of Regulation 2(1) (j) of the SEBI (SAST) Regulations, 2011, the Equity Shares and DVR Shares of the Target Company are frequently traded at NSE.
- The Offer Price of INR 0.45/- (Forty Five Paise only) per Equity Share and INR 0.55/- (Fifty Five Paise only) per DVR Share per share is justified in terms of regulation 8(2) of the SEBI (SAST) Regulations, 2011, being higher than the highest of the following:

S. No.	Particulars		Equity Share (INR)	DVR Share (INR)
a)	Negotiated price per Share of the Target Company for any acquisition in terms of the Agreement attracting the obligation to make a public announcement	:	0.40	0.40
b)	The volume weighted average price paid or payable per share for acquisitions by the Acquirer or by of the PAC during the fifty two weeks immediately preceding the date of the PA	:	0.40	0.22

c)	The highest price per share paid or payable for any acquisition by the Acquirer or by PAC with him during the twenty-six weeks immediately preceding the date of the PA	:	0.40	0.22
d)	The volume weighted average market price per share for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchanges during such period and such shares being frequently traded	:	0.42	0.55
e)	Where the shares are not frequently traded, the price determined by the Acquirer, the PAC and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies		Not Applicable	

- g. In view of the parameters considered and presented in table above, in the opinion of the Acquirer and PAC and Manager to the Offer, the Offer Price of INR 0.45/- (Indian Rupees Forty Five Paise only) per Equity Share and INR 0.55/- (Fifty Five Paise only) per DVR Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011
- h. Since the date of the PA, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations, 2011. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split, etc. where the record date for effecting such corporate actions falls within 3 (three) Working Days prior to the commencement of Tendering Period of the Offer.
- i. In the event of acquisition of the shares by the Acquirer and / or the PAC, during the Offer period, whether by subscription or purchase, at a price higher than the Offer Price per share, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. However, the Acquirer and / or the PAC shall not acquire any shares DVR Shares after the 3rd (third) Working Day prior to the commencement of the tendering period of this Open Offer and until the expiry of the tendering period of this Open Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be done at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the tendering period of this Open Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011.
- j. As on date of this DLoF, there is no revision in Offer Price or Offer Size. The Offer Price may be subject to upward revision on account of subscription/purchases/competing offers, if any, pursuant to the SEBI (SAST) Regulations, 2011 or at the discretion of the Acquirer and the PAC, at any time prior to 1 (One) Working Day before the commencement of the tendering period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011. In the event of such revision, the Acquirer and PAC are required to (i) make corresponding increases to the amount kept in the Escrow Account, as set out in this DLoF; (ii) make a public announcement in the newspapers where this DPS is published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision in terms of regulation 18(5) of the SEBI (SAST) Regulations, 2011.
- k. If the Acquirer and /or PAC acquire shares of the Target Company during the period of 26 (twenty six) weeks after the tendering period at a price higher than the Offer Price per share, then they shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011 or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

6.2 DETAILS OF FIRM FINANCIAL ARRANGEMENTS

- a. The total funding requirement for this Offer, assuming full acceptance, is INR 3,49,81,466/- (Indian Rupees Three Crores Forty Nine Lakh Eighty One Thousand Four Hundred and Sixty Six only) (“**Maximum Open Offer Consideration**”)

- b. In accordance with regulation 17(4) of the SEBI (SAST) Regulations, 2011, the Acquirer and PAC, the Manager to the Offer and ICICI Bank Limited (“**Escrow Bank**”), a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara-390 007, Gujarat, India, have entered into an Escrow Agreement dated July 09, 2020 (“**Escrow Agreement**”). Pursuant to the Escrow Agreement the Acquirer and PAC have opened an Escrow Account under the name and title of “JVTR-OPEN OFFER-ESCROW ACCOUNT” bearing Account No. 000405123580 (“**Open Offer Escrow Account**”) with Escrow Bank, having one of its branches at Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai-400020, Maharashtra, India, and deposited an amount of INR 87,50,000/- (Indian Rupees Eighty Seven Lakhs Fifty Thousand only), in cash, being more than 25% of the Maximum Open Offer Consideration.
- c. Pursuant to the Escrow Agreement, the Acquirer and PAC have solely authorized the Manager to the Open Offer to realize the value of the Open Offer Escrow Account as per the provisions of the SEBI (SAST) Regulations, 2011.
- d. The Acquirer and PAC have confirmed that they have adequate financial resources to meet the obligations under the Offer and made firm financial arrangements for fulfilling the payment obligations under this Offer in terms of Regulation 25(1) of the SAST Regulations and are able to implement this Offer.
- e. Mr. N N V Satish (Membership No. 218382), Partner of M/s. N N V Satish & Co., Chartered Accountants (FRN: 011474S), having office at B-12, Second Floor, Street No. 3, Indian Airlines Employees Colony, Begumpet, Hyderabad-500003; Tel.: +91-40-27890005; Telefax: +91-40-27890815; E-mail: satish@casatish.com vide certificate dated July 08, 2020 has confirmed that sufficient resources are available with the Acquirer and PAC for fulfilling all the obligations under this ‘Offer’ in full.
- f. Based on the above, Ashika Capital Limited, the Manager to the Offer is satisfied that the firm arrangements for the funds and money for payment have been put in place by the Acquirer and PAC to implement the Offer in full in accordance with the SEBI (SAST) Regulations, 2011.
- g. In case of any upward revision in the Offer Price or the Offer Size, the Acquirer and PAC shall make further deposit into the Escrow Account, prior to effecting such revision, to ensure compliance with Regulations 17(2), 22(2) and 24(1) of the SEBI (SAST) Regulations, 2011.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

- a. The Acquirer and the PAC are making this Offer to all Public Shareholders to acquire up to 7,44,28,650 (Seven Crore Forty Four Lakh Twenty Eight Thousand Six Hundred Fifty only) shares, consisting of 5,95,42,920 (Five Crore Ninety Five Lakh Forty Two Thousand Nine Hundred and Twenty only) Equity Shares and 1,48,85,730 (One Crore Forty Eight Lakh Eighty Five Thousand Seven Hundred Thirty only) DVR Shares, constituting 26% of the Voting Share Capital of the Target Company subject to the terms and conditions mentioned in the PA, DPS, this DLoF and any other Public Announcements that may be issued with respect to the Offer.
- b. In terms of the schedule of activities of the Offer, the Identified Date for this Offer is August 14, 2020 (Friday) and the Tendering Period for the Offer shall commence on August 28, 2020 (Friday) and close on September 10, 2020 (Thursday).
- c. The shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends and rights to participate in, bonus and rights issues, if any, declared hereafter, and the tendering shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.
- d. Any 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 such shares during pendency of the said litigation, are liable to be rejected if directions/orders are passed

regarding the free transferability of such shares tendered under the Offer prior to the date of closure of the Tendering Period.

- e. The locked-in Equity Shares, if any, may be transferred to the Acquirer subject to the continuation of the residual lock -in period in the hands of the Acquirer, as may be permitted under applicable law. It is the sole responsibility of the Public Shareholder tendering their Equity Shares, to ensure that the locked-in Equity Shares are free from lock-in before such transfer to Acquirer. The Manager to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares. The Target Company do not have any shares, which are currently locked-in.
- f. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations, 2011.
- g. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- h. The marketable lot for the shares for the purpose of this Offer shall be 1 (one) only.
- i. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, 2011 the shareholders who tender their shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- j. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way.
- k. All the shares validly tendered under this Offer to the extent of the Offer Size will be acquired by the Acquirer and PAC in accordance with the terms and conditions set forth in this Draft Letter of Offer

7.2 ELIGIBILITY FOR ACCEPTING THE OFFER

- a. The Letter of Offer together with the Form of Acceptance cum Acknowledgment shall be sent to the Public Shareholders, whose names appear in the register of members of the Target Company and the Beneficial Owners of the shares of the Target Company whose names appear as beneficiaries on the records of the respective depositories, at the close of business hours on the Identified Date. The Identified Date for this Offer as per the schedule of activities is August 14, 2020 (Friday).
- b. All shareholders, registered or unregistered, who own the shares and are able to tender such shares in this Offer at any time before the closure of the Tendering Period are eligible to participate in this Offer, subject to the terms and conditions mentioned in this DLoF.
- c. The Public Announcement, Detailed Public Statement and the Draft Letter of Offer along with Form of Acceptance-cum-Acknowledgement will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer along with Form of Acceptance-cum-Acknowledgement from SEBI's website for applying in the Offer.
- d. The eligible shareholders are free to offer their shares in whole or in part while accepting the Offer. The acceptance of this Offer by the shareholders must be unconditional, absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- e. The acceptance of this Offer is entirely at the discretion of the shareholder(s) of the Target Company.
- f. None of the Acquirer, the PAC, the Manager or the Registrar to the Offer accepts any responsibility for any loss of documents during transit (including but not limited to Offer acceptance forms, copies of delivery instruction slips, etc.), and shareholders are advised to adequately safeguard their interest in this regard.
- g. The acceptance of shares tendered in this Offer will be made by the Acquirer and/ or PAC in consultation with the Manager to the Offer. If the number of Equity Shares validly tendered by the shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer

- h. There has been no revision in the Offer Price or Offer Size as of the date of this DLoF. The Offer Price may be subject to upward revision, if any, pursuant to the SEBI (SAST) Regulations, 2011 or at the discretion of the Acquirer and the PAC, at any time prior to 1 (One) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PAC shall (i) make corresponding increases to the amount kept in escrow account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company. The Acquirer will pay such revised price for all the shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Draft Letter of Offer.
- i. The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute part of the terms of the Offer.
- j. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations, and SEBI PR 51/2018 dated December 3, 2018, 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. Accordingly, the shareholders who are holding the shares in physical form and are desirous of tendering their shares in the Offer can do so only after the shares are dematerialized. Such shareholders are advised to approach any depository participant to have their equity shares dematerialized.
- k. Public Shareholders can write to the Registrar to the Offer/ Manager to the Offer requesting for the Letter of Offer along with the Form of Acceptance cum acknowledgement. Alternatively, the Letter of Offer alongwith the Form of Acceptance cum acknowledgement would also be available on the website of SEBI i.e. <http://www.sebi.gov.in>, and shareholders can also apply by downloading such forms from the website.
- l. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

7.3 STATUTORY AND OTHER APPROVALS

- a. The acquisition of Offer Shares is subjected to receipt of approval from the SEBI, BSE, NSE, MSEI, ICEX, as applicable, by the Target Company for change in the control of the Target Company, including for change in the dominant promoter group of the Target Company and appoint directors on the Board of the Target Company. The necessary applications for these regulatory / statutory approvals shall be made shortly.
- b. Except as mentioned above, as on the date of this Draft Letter of Offer, to the best knowledge of the Acquirer and the PAC, there are no statutory or regulatory approvals required by the Acquirer and / or the PAC, to complete the Underlying Transaction and this Open Offer. However, in case of any further statutory or regulatory approvals being required by the Acquirer and / or the PAC, at a later date, this Open Offer shall be subject to such approvals and the Acquirer and / or the PAC shall make the necessary applications for such approvals.
- c. Non-resident Indian (“NRI”) and overseas corporate body (“OCB”) holders of Equity Shares and/or DVR Shares, if any, must obtain all requisite approvals required to tender the Equity Shares and/or DVR Shares held by them in this Offer (including, without limitation, approval from the Reserve Bank of India (“RBI”)) and submit copies of such approvals, along with the Form of Acceptance-cum-Acknowledgement and other documents required to be tendered to accept this Offer. Further, if Public Shareholders, who are not persons resident in India (including NRIs, OCBs, Foreign Portfolio Investors (“FPIs”) and Foreign Institutional Investors (“FIIs”)), willing to tender their shares in this Offer, had required any approvals (including from the RBI, the Foreign Investment Promotion Board (“FIPB”) or any other regulatory / statutory authority) in respect of the shares held by them, they will be required to submit copies of such previous approvals, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such shares tendered in this Offer. If the shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the shares are held under general permission and clarify whether the shares are held on a repatriable or a non-repatriable basis.

- d. Subject to the receipt of the statutory and other approvals, if any, the Acquirer and the PAC shall complete all procedures relating to the Open Offer, including payment of consideration within 10 Working Days from the closure of the tendering period to those shareholders whose share certificates or other documents are found valid and in order and are approved for acquisition by the Acquirer and the PAC.
- e. In case of delay / non receipt of any statutory approvals required by the Acquirer and / or the PAC, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirer and PAC agreeing to pay interest to the Public Shareholders of the Target Company (who validly tender their shares in the Open Offer) at such rate as may be specified by SEBI. Provided where the statutory approvals extend to some but not all Public Shareholders of the Equity Shares, the Acquirer shall 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 Open Offer.
- f. The Acquirer and the PAC will have the right to withdraw this Open Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011, in the event the statutory approvals whether relating to the acquisition under the Underlying Transaction or this Open Offer are not received or are refused for any reason, which are outside the reasonable control of the Acquirer and PAC. In the event of withdrawal of this Open Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

- a. Subject to terms and conditions of the Offer above, all the Public Shareholders of the Target Company, holding the shares in dematerialized form, registered or unregistered are eligible to participate in this Open Offer at any time during the period from Offer Opening Date to Offer Closing Date (“**Tendering Period**”) for this Open Offer.
- b. The Offer will be implemented by the Acquirer and/ or the PAC through the stock exchange mechanism made available by the Stock Exchanges in the form of a separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations, 2011 and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended from time to time, and notices / guidelines issued by Stock Exchanges and the Clearing Corporation in relation to the mechanism / process for the acquisition of shares through the stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time (“**Acquisition Window Circulars**”).
- c. BSE shall be the designated stock exchange (“**Designated Stock Exchange**”) for the purpose of tendering the shares in the Open Offer.
- d. The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchange in the form of a separate Acquisition Window.
- e. The Acquirer and the PAC have appointed Ashika Stock Broking Limited (“**Buying Broker**”) as their broker for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer will be made. The contact details of the Buying Broker are as mentioned below:

ASHIKA STOCK BROKING LIMITED

1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai- 400 021

Tel: +91 22 6611 1714; Tel: +91 22 6611 1710

Contact Person: Mr. Rajesh Ajani

- f. All the Public Shareholders who desire to tender their shares under the Offer should consult with their depository participants and their respective stock brokers (“**Selling Broker(s)**”), well in advance to understand the process and methodology in relation to tendering of the shares through the Stock Exchanges, during the Tendering Period. The Buying Broker may also act as Selling Broker for Public Shareholders.
- g. The Acquisition Window will be provided by BSE (“**Designated Stock Exchange**”) to facilitate placing of sell orders. The Selling Broker can enter orders for shares in dematerialized form only.

- h. During the Tendering Period, the tender of the shares by the Public Shareholders in this Offer will be placed through their respective stock brokers (“**Selling Broker**”) during normal trading hours of the secondary market
- i. The details of settlement number for early pay-in of shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer.
- j. Modification/cancellation of Orders will not be allowed during the tendering period of the Open Offer.
- k. The cumulative quantity tendered shall be made available on BSE website (www.bseindia.com) throughout the trading session and will be updated at specific intervals by the stock exchange during Tendering Period.
- l. The shareholders are requested to note that trading account is mandatory to participate in the Offer.
- m. The shareholders can tender their shares only through a broker with whom the shareholder is registered as client (Know Your Customer/Client (KYC) Compliant).
- n. In the event Seller Broker(s) are not registered with BSE if the Shareholder does 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 Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Public Shareholder may approach Buying Broker viz. Ashika Stock Broking Limited., to bid by using quick UCC facility.
- o. **Procedure for tendering the shares held in dematerialised form:**
 - (i) The Public Shareholders who are holding the shares in electronic/ dematerialised form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares that such Public Shareholder intends to tender in this Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
 - (ii) The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchanges. Before placing the order/bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the Stock Exchanges or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
 - (iii) Upon placing the bid, the Selling Broker(s) shall provide Transaction Registration Slip (“**TRS**”) generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.
 - (iv) On receipt of TRS from the respective Seller Broker, the Public Shareholder has successfully placed the bid in the Offer.
 - (v) Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
 - (vi) For custodian participant, orders for demat shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than 6:00 PM on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
 - (vii) The details of settlement number for early pay-in of shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
 - (viii) The shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the shares and to receive credit in case of return of shares due to rejection or due to prorated Offer.

- (ix) In case of receipt of shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted, for demat Shareholders.

p. Procedure for tendering shares held in Physical Form:

- (i) As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019.
- (ii) Accordingly, the eligible shareholders who are holding shares in physical form and are desirous of tendering their shares in the Offer can do so only after the shares are dematerialised. Such shareholders are advised to approach any depository participant to have their shares dematerialised.

q. Procedure for tendering the shares in case of non-receipt of Letter of Offer:

Public Shareholders who have acquired the shares but whose names do not appear on the register of members of the Target Company and to the Beneficial Owners of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

A shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum Acknowledgment.

The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement, will be dispatched/mailed to all the Public Shareholders of the Target Company, whose names appear in the register of members of the Target Company and to the Beneficial Owners of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date.

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

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

Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the 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 shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by Stock Exchanges before the closure of the Offer.

r. Acceptance of Shares:

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

s. Settlement Process:

- (i) On closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted shares in the Offer shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- (ii) The settlement of trades shall be carried out in the manner similar to settlement of trades in the Acquisition Window Circulars.

- (iii) The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- (iv) The funds received from Buyer Broker by the Clearing Corporation will be released to the Shareholder/Selling Broker(s) as per secondary market pay out mechanism.
- (v) The payment will be made to the Buying Broker for settlement. For shares accepted under the Open Offer, the Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.
- (vi) For shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible shareholders bank account linked to its demat account. 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 Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- (vii) 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.
- (viii) The shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of shares, due to rejection or due to non-acceptance of the shares under the Offer.
- (ix) Excess demat shares or unaccepted demat shares, if any, tendered by the shareholders would be returned to them by the Clearing Corporation.
- (x) The direct credit of the shares shall be given to the demat account of Acquirer and/or PAC as indicated by the Buying Broker.
- (xi) In case of partial or non-acceptance of orders the balance demat shares shall be returned directly to the demat account of the shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance shares to the respective shareholders.
- (xii) The shareholders, who intend to participate in the Offer, should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering shares in the Offer (secondary market transaction). The Offer consideration received by the shareholders, in respect of accepted shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirer and/or PAC accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the shareholders.
- (xiii) In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer and PAC for payment of consideration to the shareholders who have accepted the Open Offer within such period, subject to Acquirer and PAC 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:

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the shares are sold. Further, any gain realised on the sale of listed shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax provided the transaction is chargeable to STT.

However, as per the provisions proposed in the Finance Bill, 2018, subject to enactment (“Finance Bill”), the capital gains arising from the sale of listed shares, held for more than 12 (twelve) months, on a stock exchange, on or after April 01, 2018, exceeding One Lakh Rupees will be subject to long term capital gains and taxed at a rate of 10 (Ten) percent.

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

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, Ashika Capital Limited, at 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai-400021 on any working day (except Saturdays, Sundays and public holidays) between 10.30 a.m. to 3.00 p.m. from the date of commencement of Tendering Period (August 28, 2020, Friday) until the date of closure of Tendering Period (September 10, 2020, Thursday).

- i. Copies of the Memorandum and Articles of Association and Certificate of Incorporation, of the PAC;
- ii. Copies of the audited financial statements of the PAC, as at and for the financial year ending March 31, 2019 and certified un-audited financials as at and for the period/year ended March 31, 2020, duly audited/certified by N N V Satish & Co., Chartered Accountants, the statutory auditor of the PAC;
- iii. Certificate dated July 08, 2020, issued by Mr. N N V Satish (Membership No. 218382), Partner of N N V Satish & Co., Chartered Accountants (FRN: 011474S), certifying the Networth of the Acquirer;
- iv. Certificate dated July 08, 2020, issued by Mr. N N V Satish (Membership No. 218382), Partner of N N V Satish & Co., Chartered Accountants (FRN: 011474S), certifying that the Acquirer and PAC have firm and adequate financial resources to meet the financial obligations under the Open Offer;
- v. Copies of the Memorandum and Articles of Association and Certificate of Incorporation, of the Target Company;
- vi. Copies of the annual reports / audited consolidated financial statements of the Target Company for the financial years ended March 31, 2017, March 31, 2018, March 31, 2019 and audited standalone consolidated financial statements of the Target Company as at and for the year ended March 31, 2020, as submitted by the Target Company with Stock Exchanges;
- vii. Copy of Escrow Agreement dated July 09, 2020, entered between the Acquirer and PAC and Manager to the Offer and the Escrow Banker, ICICI Bank Limited;
- viii. Copy of the Letter from the Escrow Banker confirming the balance of INR 87,50,000/- in the Escrow Account and stating that the Escrow Account shall be operated in terms of the Escrow Agreement;
- ix. Copy of Share Purchase Agreement dated July 08, 2020;
- x. Copy of the Memorandum of Understanding entered between the Acquirer and PAC, the Manager to the Offer and the Registrar to the Offer;
- xi. Copy of the letter dated July 09, 2020 from Ashika Stock Broking Limited., to act as a Buying Broker, for the purpose of the Open Offer by the Acquirer and PAC;
- xii. Copy of the Public Announcement submitted to the Stock Exchanges on July 08, 2020 and the Detailed Public Statement published, by the Manager to the Offer on behalf of the Acquire and PAC, on July 15, 2020;
- xiii. Copy of the Offer Opening Public Announcement to be published, by the Manager on behalf of the Acquirer and the PAC, on [•];

- xiv. Copy of the published recommendation made by the committee of independent directors of the Target Company in relation to the Offer;
- xv. Copy of the SEBI observation letter no. [•] dated [•] on the Draft Letter of Offer.

11. DECLARATION BY THE ACQUIRER AND PAC

The information pertaining to the Target Company and/or the Seller contained in the PA or the DPS or DLoF or the Letter of Offer or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or the Seller, as the case may be, or publicly available sources which has not been independently verified by the Acquirer or the PAC or the Manager to the Offer. The Acquirer, the PAC and the Manager to the Offer do not accept any responsibility with respect to the information provided by the Target Company and/or the Seller.

The Acquirer, PAC and its Directors accept full responsibility, jointly and severally, for the information contained in the PA, the DPS and this Draft LoF, including the Form of Acceptance cum Acknowledgement, in relation to them and the Offer (other than such information as has been obtained from public sources or provided or confirmed by the Target Company and/or the Seller) and also for the obligations for the Acquirer and PAC as laid down in the SEBI (SAST) Regulations, 2011. The Acquirer and PAC would be severally and jointly responsible for ensuring the compliance with the SEBI (SAST) Regulations, 2011.

Unless otherwise stated, the information set out in this DLoF reflects the position as of the date hereof.

We, the Acquirer, PAC and its Directors, have made all reasonable inquiries, accept responsibility jointly and severally, and confirm that this DLoF is in compliance with the SEBI (SAST) Regulations, 2011, and that it contains all information with regard to the Offer, which is material in the context of the Offer, 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 persons signing this DLoF, are the Acquirer and duly and legally authorized person of the PAC, as applicable, to sign this Draft Letter of Offer.

For and on behalf of the Acquirer and PAC

Acquirer:

PAC:

Sd/-

Sd/-

Jonna Venkata Tirupati Rao

**Authorised Signatory
Gayi Adi Management and Trends Private Limited**

Place : Hyderabad
Date : July 22, 2020