

RAHUL MERCHANDISING LIMITED																				
Corporate Identification Number: L74899DL1993PLC052461; Registered Office – H.NO. 161-B, Vishwas Nagar, Shahdara, East Delhi-110032, Delhi, India; Contact Number: 8947023801; Email Address: rahulmerchandising@gmail.com; Website: www.rahulmerchandising.in																				
Recommendations of the Committee of Independent Directors (‘IDC’) of Rahul Merchandising Limited (‘Target Company’) in relation to the Open Offer (‘Offer’) made by Ankit Tayal (‘Acquirer 1’) and Mohit Sharma (‘Acquirer 2’) (hereinafter collectively referred to as ‘Acquirers’), to the Public Shareholders of the Target Company (‘Shareholders’) under Regulations 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Subsequent Amendments thereto (‘SEBI (SAST) Regulations, 2011’).																				
Date	Wednesday, July 12, 2023																			
Target Company	Rahul Merchandising Limited																			
Details of the Offer pertaining to the Target Company	Open offer being made by the Acquirers for acquisition of up to 9,13,185 (Nine Lakh Thirteen Thousand One Hundred and Eighty-Five) Equity Shares, representing 26.00% of the Voting Share Capital of the Target Company, at a price of Rs.8.50/- (Rupees Eight and Fifty Paise Only) per Equity Share, payable in cash, assuming full acceptance aggregating to a maximum consideration of Rs. 77,62,072.50/- (Seventy-Seven Lakhs Sixty-Two Thousand Two Hundred and Seventy-Two Rupees and Fifty Paise Only).																			
Names of the Acquirers	Ankit Tayal (‘Acquirer 1’), Mohit Sharma (‘Acquirer 2’)																			
Manager to the Offer	Swaraj Shares and Securities Private Limited Corporate Identification Number: U51101WB2000PTC092621 Principal Place of Business: Unit No 304, A Wing, 215 Atrium, Near Courtyard Marriot, Andheri East, Mumbai- 400093, Maharashtra, India Contact Person: Pankita Patel/ Tanmoy Banerjee Tel No.: +91-22-69649999 Email: compliance@swarajshares.com SEBI Registration No.: INM000012980 Validity: Permanent																			
Members of the Committee of Independent Directors (IDC)	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Snehlata Kaim</td> <td>Chairperson</td> </tr> <tr> <td>2</td> <td>Ankush Aggarwal</td> <td>Member</td> </tr> </tbody> </table>		Sr. No.	Name	Designation	1	Snehlata Kaim	Chairperson	2	Ankush Aggarwal	Member									
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IDC Member’s relationship with the Target Company (Director, Equity shares owned, any other contract/relationship), if any	1. All IDC Members are Independent Directors and Non-Executive Directors on the Board of the Target Company. 2. IDC Members do not hold any Equity Shares of the Target Company. 3. IDC Members have not entered into any other contract or have other relationships with the Target Company.																			
Trading in the Equity shares/other securities of the Target Company by IDC Members	No trading in the Equity Shares of the Target Company has been done by any of the IDC Members.																			
IDC Member’s relationship with the acquirers (Director, Equity shares owned, any other contract/relationship), if any.	None of the IDC Members hold any contracts, nor have any relationship with the Acquirers in their personal capacities.																			
Trading in the Equity shares/other securities of the acquirers by IDC Members	Since, the Acquirers are individuals, the details of trading in the Equity Shares/Other Securities of the acquirers by IDC Members, is not applicable																			
Recommendation on the Open offer, as to whether the offer, is or is not, fair, and reasonable	Based on the review of the Offer Documents issued by the Manager to the Offer on behalf of the Acquirers, IDC Members believe that the Offer is fair and reasonable and in line with the SEBI (SAST) Regulations. The shareholders may independently evaluate the Offer, the market performance of the Equity Shares, and take an informed decision in the best of their interests. Further, the Public Shareholders, should independently review the Letter of Offer dated Thursday, July 06, 2023, including the risk factors described therein before taking any decision in relation to this Offer.																			
Summary of reasons for the recommendation	<p>IDC Members have taken into consideration and reviewed the following Offer Documents for making the recommendation:</p> <p>a) The Public Announcement dated Friday, March 31, 2023 (‘Public Announcement’); b) Detailed Public Statement dated Monday, April 10, 2023, in connection with this Offer, published on behalf of the Acquirers on Tuesday, April 11, 2023, in Financial Express (English) (All Editions), Jansatta (Hindi) (All Editions), Mumbai Lakshadweep (Marathi) (Mumbai Edition) (‘Detailed Public Statement’); c) Draft Letter of Offer dated Wednesday, April 19, 2023, filed and submitted with SEBI pursuant to the provisions of Regulation 16 (1) of the SEBI (SAST) Regulations (‘Draft Letter of Offer’); d) The Letter of Offer along with Form of Acceptance and Form SH-4 dated Thursday, July 06, 2023 (‘Letter of Offer’);</p> <p>Based on the review of the aforesaid Offer Documents, the IDC Members are of the view that the Offer Price is in line with the parameters prescribed by SEBI in the Regulations. The Equity Shares of the Target Company are listed and traded on bourses of BSE and are infrequently traded within which the meaning of the definition of ‘Frequently traded shares’ under clause (j) of sub-regulation (1) of Regulation 2 of the SEBI (SAST) Regulations on BSE Limited.</p> <p>The Offer Price of Rs.8.50/- (Rupees Eight and Fifty Paise Only) has been determined considering the parameters as set out under Regulations 8 (1) and 8 (2) of the SEBI (SAST) Regulations, being highest of the following:</p> <table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Particulars</th> <th>Price (In Rs per Equity share)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Negotiated Price under the Share Purchase Agreement attracting the obligations to make a Public Announcement for the Offer</td> <td>Rs.1.50/- (Rupee One and Fifty Paise Only)</td> </tr> <tr> <td>2.</td> <td>The volume-weighted average price paid or payable for acquisition(s) by the Acquirer, during the 52 (fifty-two) weeks immediately preceding the date of Public Announcement</td> <td>Rs.4.70/- (Rupees Four and Seventy Paise only)</td> </tr> <tr> <td>3.</td> <td>The highest price paid or payable for any acquisition by the Acquirers, during the 26 (twenty-six) weeks immediately preceding the date of Public Announcement</td> <td>Rs.8.01/- (Rupees Eight and One Paise only)</td> </tr> <tr> <td>4.</td> <td>The volume-weighted average market price of Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of Public Announcement as traded on BSE where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period, provided such shares are frequently traded</td> <td>Not Applicable</td> </tr> <tr> <td>5.</td> <td>Where the Equity Shares are not frequently traded, the price determined by the Acquirers and the Manager considering valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of Equity Shares</td> <td>(0.42/-) Loss of (Forty-Two Paise Only)</td> </tr> </tbody> </table> <p>In view of the parameters considered and presented in the table above, in the opinion of Acquirers and Manager to the offer, the offer price is Rs.8.50/- (Rupees Eight and Fifty Paise Only) in terms of Regulation 8(2) of the SEBI (SAST) Regulations.</p>		Sr. No.	Particulars	Price (In Rs per Equity share)	1.	Negotiated Price under the Share Purchase Agreement attracting the obligations to make a Public Announcement for the Offer	Rs.1.50/- (Rupee One and Fifty Paise Only)	2.	The volume-weighted average price paid or payable for acquisition(s) by the Acquirer, during the 52 (fifty-two) weeks immediately preceding the date of Public Announcement	Rs.4.70/- (Rupees Four and Seventy Paise only)	3.	The highest price paid or payable for any acquisition by the Acquirers, during the 26 (twenty-six) weeks immediately preceding the date of Public Announcement	Rs.8.01/- (Rupees Eight and One Paise only)	4.	The volume-weighted average market price of Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of Public Announcement as traded on BSE where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period, provided such shares are frequently traded	Not Applicable	5.	Where the Equity Shares are not frequently traded, the price determined by the Acquirers and the Manager considering valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of Equity Shares	(0.42/-) Loss of (Forty-Two Paise Only)
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Disclosure of Voting Pattern	These recommendations have been unanimously approved by the IDC Members																			
Details of Independent Advisors, if any	None																			
Any other matter to be highlighted	None																			
<i>Terms not defined herein carry the meaning ascribed to them in the Letter of Offer dated Thursday, July 06, 2023.</i>																				
To the best of our knowledge and belief, after making the proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the Regulations.																				
For and on behalf of the Committee of Independent Directors Rahul Merchandising Limited sd/- Snehlata Kaim Chairperson of the Committee Independent Director (DIN: 06882968)																				
Place: Delhi																				
Date: Wednesday, July 12, 2023																				