

## DRAFT LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This draft letter of offer (“**Draft Letter of Offer**” or “**DLOF**”) is sent to you as a Public Shareholder (as defined below) of Tourism Finance Corporation of India Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager (as defined below) / Registrar to the Open Offer (as defined below). In case you have recently sold your Equity Shares (as defined below), please hand over this Draft Letter of Offer and the accompanying Form of Acceptance and Transfer Deed to the member of stock exchange through whom the said sale was effected.

**REDKITE CAPITAL PRIVATE LIMITED (“Acquirer”)**

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

Registered office: 4852/24, 1st Floor, Ansari Road, Dariya Ganj, Delhi – 110002, India

(Tel: +91-11-4156 3188)

**along with the following persons acting in concert (“PACs”)**

**INDIA OPPORTUNITIES III PTE. LIMITED (“PAC 1”)**

**A private limited company incorporated under the laws of Singapore**

Registered office: 39 Robinson Road, #15-03 Robinson Point, Robinson Point, Singapore – 068911

(Tel: +65 6653 1005, Fax: +65 6604 6505)

and

**MR. KOPPARA SAJEEVE THOMAS (“PAC 2”)**

Residing at 23 Stevens DR, 04-01 Parc Stevens, Singapore – 257914

(Tel: +65 6728 9586)

**MAKE A CASH OFFER OF INR 157.20 (INDIAN RUPEES ONE HUNDRED FIFTY SEVEN AND TWENTY PAISE ONLY) PER FULLY PAID UP EQUITY SHARE OF THE FACE VALUE OF INR 10 (INDIAN RUPEES TEN) EACH, TO ACQUIRE UPTO 20,986,355 (TWO CRORE NINE LAKH EIGHTY SIX THOUSAND THREE HUNDRED AND FIFTY FIVE ONLY) EQUITY SHARES REPRESENTING 26.00% (TWENTY SIX PERCENT) OF THE EQUITY SHARE CAPITAL (AS DEFINED BELOW), UNDER THE SEBI (SAST) REGULATIONS (AS DEFINED BELOW) TO THE PUBLIC SHAREHOLDERS OF**

**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

**A listed public limited company incorporated under the Companies Act, 1956**

Registered Office: 4th Floor Tower-1, NBCC Plaza, Pushp Vihar, Sector-5, Saket, New Delhi - 110017

(Tel: +91-11-29561180, Fax: +91-11-29561171)

CIN: L65910DL1989PLC034812

(hereinafter referred to as “**Target Company**”)

1. This Open Offer (as defined below) is being made by the Acquirer and the PACs pursuant to and in compliance with the provisions of regulation 3(1) and regulation 4 of the SEBI (SAST) Regulations.
2. This Open Offer is not a conditional offer in terms of regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Open Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.
4. This Open Offer is subject to certain statutory and regulatory approvals set out in section C of part VI (*Statutory & other Approvals*) of this Draft Letter of Offer.
5. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
6. The Acquirer may withdraw the Open Offer in accordance with the terms and conditions specified in section B of part II (*Details of the Offer*) of this Draft Letter of Offer. In the event of a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days (as defined below) of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (as defined below) had appeared, stating the grounds for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.
7. The Offer Price (as defined below) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer at any time prior to the commencement of the last 3 (three) Working Days before the commencement of the Tendering Period (as defined below) in accordance with regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirer have acquired any Equity Shares during the offer period at a price higher than the Offer

Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Equity Shares during the period commencing 3 (three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period. In the event of such revision, the Acquirer shall (i) make corresponding increases to the Escrow Amount (as defined below); (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI (as defined below), the Stock Exchanges (as defined below) and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Open Offer.

8. **If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**

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

A copy of the Public Announcement (as defined below), the Detailed Public Statement and the Draft Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) is also available and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will also be available on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)).

All future correspondence, if any, should be addressed to the Manager / Registrar to the Open Offer at the addresses mentioned below:

MANAGER TO THE OPEN OFFER	REGISTRAR TO THE OPEN OFFER
 <p><b>IDFC Bank Limited</b>  <b>Registered office address:</b> KRM Tower, 7th Floor, No.1 Harrington Road, Chetpet, Chennai, Tamil Nadu, 600 031  <b>Corporate office address:</b> Naman Chambers, C-32, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051  <b>Tel. No.:</b> +91 22 7132 5500  <b>Email:</b> <a href="mailto:tcil.openoffer@idfcbank.com">tcil.openoffer@idfcbank.com</a>  <b>Website:</b> <a href="http://www.idfcbank.com">www.idfcbank.com</a>  <b>Contact Person:</b> Mr. Gaurav Mittal/Mr. Kunal Thakkar  <b>SEBI Registration No.:</b> MB/INM000012250</p>	 <p><b>Link Intime India Private Limited</b>  <b>Registered office address:</b> C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India  <b>Tel No.:</b> +91 022 49186200  <b>Email:</b> <a href="mailto:tfcil.openoffer@linkintime.co.in">tfcil.openoffer@linkintime.co.in</a>  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>Contact Person:</b> Sumeet Deshpande  <b>SEBI Registration No.:</b> INR000004058</p>

The schedule of activities under the Open Offer is as follows:

No.	Activity	Schedule (Day and Date)
1.	Issue of Public Announcement	Friday, May 18, 2018
2.	Publication of this DPS in the newspapers	Friday, May 25, 2018
3.	Filing of the draft letter of offer with SEBI	Friday, June 1, 2018
4.	Last date for public announcement for competing offer(s)	Friday, June 15, 2018
5.	Last date for receipt of SEBI observations on the draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager)	Friday, June 22, 2018
6.	Identified Date <sup>#</sup>	Tuesday, June 26, 2018
7.	Last date by which the letter of offer is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Tuesday, July 3, 2018
8.	Last date for upward revision of the Offer Price / Offer Size	Wednesday, July 4, 2018
9.	Last date of publication by which the committee of the independent directors of the Target Company shall give its recommendation to the Public Shareholders of the Target Company for this Open Offer	Thursday, July 5, 2018
10.	Date of publication of Open Offer opening public announcement in the newspapers in which this DPS has been published	Monday, July 9, 2018
11.	Date of commencement of the tendering period (“ <b>Offer Opening Date</b> ”)	Tuesday, July 10, 2018
12.	Date of closure of the tendering period (“ <b>Offer Closing Date</b> ”)	Monday, July 23, 2018
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Monday, August 6, 2018
14.	Last date for publication of post-Offer public announcement in the newspapers in which this DPS has been published	Monday, August 13, 2018

\* *The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted*

## RISK FACTORS

### Risk factors relating to the transaction

- The Underlying Transaction (as defined below) is subject to the receipt of the approval from the Reserve Bank of India (“RBI”) in relation to the transaction contemplated under the Inter-se Agreement (as defined below) (“RBI Approval”) (which condition is outside the reasonable control of the Acquirer and the PACs).

### Risk factors relating to the Open Offer

- The Acquirer may withdraw the Open Offer in accordance with the conditions specified in section C of part VI (*Statutory & other Approvals*) in the Draft Letter of Offer. In the event of a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement had appeared, stating the grounds for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.
- In the event of any litigation leading to a stay on the Open Offer by a court of competent jurisdiction, or SEBI instructing that the Open Offer should not proceed, the Open Offer may be withdrawn or the Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, in the event of any delay, the payment of consideration to the Public Shareholders of the Target Company, whose Equity Shares are accepted under this Open Offer, as well as the return of Equity Shares not accepted under this Open Offer by the Acquirer may be delayed.
- The Equity Shares tendered in the Open Offer will be held in trust by the Registrar to the Open Offer / Clearing Corporation (as defined below) until the completion of the Open Offer formalities, and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares held in trust by the Registrar to the Open Offer / Clearing Corporation during such period. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Open Offer.
- In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the number of Open Offer Shares, the Acquirer shall accept those Equity Shares which are validly tendered by the Public Shareholders on a proportionate basis as detailed in paragraph 9 of Section A of Part V (*Justification of Offer Price*) below. Therefore, there is no certainty that all the Equity Shares tendered in the Open Offer will be accepted. The unaccepted Equity Shares will be returned to the respective Public Shareholders in accordance with the schedule of activities for the Open Offer.
- Further, Public Shareholders should note that, under the SEBI (SAST) Regulations, once Public Shareholders have tendered their Equity Shares in the Open Offer, they will not be able to withdraw their Equity Shares from the Open Offer even in the event of a delay in the acceptance of Equity Shares under the Open Offer and/or the dispatch of consideration.
- All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Open Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Offer Shares
- In case of delay in receipt of any statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer or the PACs to diligently pursue such approval, and subject to such terms and conditions as specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, grant an extension of time to the Acquirer pending receipt of such statutory approval(s) to make the payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in the Open Offer.
- The Acquirer and the PACs and the Manager accept no responsibility for the statements made otherwise than in the Draft Letter of Offer, the Detailed Public Statements (as defined below) and/or the Public Announcement (as defined below) and/or in the Open Offer opening Public Announcement (as defined below) or in any corrigendum to the Detailed Public Statements and the Public Announcement (if issued) and anyone placing reliance on any other

source of information (not released by the Acquirer and the PACs or the Manager) would be doing so at his, her or their own risk.

- Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Open Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.

**Probable risks involved in associating with the Acquirer and the PACs and the Manager**

- Neither the Manager nor the Acquirer and the PACs make any assurance with respect to the continuation of past trends in the financial performance of the Target Company.
- Neither the Acquirer and the PACs nor the Manager can provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Open Offer and each of them expressly disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholder regarding whether or not to participate in the Open Offer.

**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 Open Offer or associating with the Acquirer and the PACs. 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 analysis of the risks involved in the participation by any Public Shareholder in the Open Offer. Public Shareholders are advised to consult their stockbroker, investment consultant or tax advisor for an understanding of the further risks associated with their participation in the Open Offer.**

**Disclaimer for U.S. persons:**

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not U.S. Persons as such term is defined in Regulation S under the US Securities Act of 1933, as amended, and who are not physically present in the USA. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the USA or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

**Disclaimer for persons in other foreign countries:**

This Draft Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

**CURRENCY OF PRESENTATION**

In this Draft Letter of Offer, all references to “**INR**” are references to the Indian Rupee(s) the official currency of India and all references to “**USD**” are to the United States Dollar, the lawful currency of the United States of America. All the data presented in USD in this Detailed Public Statement have been converted into INR for convenience purposes only. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping. All percentage figures have been rounded off to nearest two decimals.

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## DEFINITIONS / ABBREVIATIONS

Particulars	Details / Definition
Acquirer	Redkite Capital Private Limited
Bank Guarantee	Acquirer and PACs have furnished an unconditional, irrevocable, and on demand bank guarantee dated May 22, 2018 having bank guarantee number OGT0005180021127 of an amount of INR 67,50,00,000 (Indian Rupees sixty seven crore and fifty lakhs only) issued by IndusInd Bank Limited (acting through its office at Dr. Gopal Das Bhawan 28, Barakhamba Road, New Delhi - 110001), in favour of the Manager
BSE	BSE Limited
CIN	Corporate Identity Number
Clearing Corporation	Clearing Corporation of Stock Exchanges
Depositories	Central Depository Services Limited and National Securities Depository Limited
Detailed Public Statement /DPS	The detailed public statement dated May 24, 2018 in connection with the Open Offer, published on behalf of the Acquirer and the PACs on May 25, 2018 in Business Standard (English and Hindi) and Navshakti (Marathi).
DP	Depository Participant
Draft Letter of Offer /DLOF	The Draft Letter of Offer dated June 1, 2018, filed with the SEBI pursuant to regulation 16(1) of the SEBI (SAST) Regulations
Equity Share(s)	Fully paid up equity shares of the Target Company of Face Value of INR 10 (Rupees One) each
Equity Share Capital	The total equity share capital of the Target Company consisting of 8,07,16,748 equity shares.
Equity Shareholder(s)	All holders of Equity Shares, including beneficial owners of the Equity Shares
Escrow Account	The account with IndusInd Bank Limited established in accordance with regulation 17 of the SEBI (SAST) Regulations and the Escrow Agreement bearing the name “ <b>TFCIL Open Offer Escrow Account</b> ”
Escrow Agreement	Escrow agreement entered into by the Acquirer and the PACs with the Escrow Bank and the Manager for opening and operating the Escrow Account
Escrow Amount	The amount deposited by the Acquirer and PACs in the Escrow Account, having lien marked with an irrevocable right to encash the proceeds in favour of the Manager, in compliance with Regulation 17 of the SEBI (SAST) Regulations.
Escrow Bank	IndusInd Bank Limited (acting through its office at Shop No 2/3, Atlanta Building, Ground Floor, Nariman Point, Mumbai - 400 021)
FEMA	Foreign Exchange Management Act, 1999 (as amended)
FII	Foreign Institutional Investors
FPI	Foreign Portfolio Investors
FY	Financial Year
Form of Acceptance	Form of acceptance shall have the meaning ascribed to in the Form of Acceptance-cum-Acknowledgement
Identified Date	The date falling on the 10 <sup>th</sup> Working Day prior to the commencement of the Tendering Period
Inter-se Agreement	The Inter-se Agreement executed between the Acquirer and the PACs on May 18, 2018 and includes any amendments agreed by the parties thereto in writing.
Letter of Offer	The Letter of Offer dated [●]
LODR	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
Manager	IDFC Bank Limited
Maximum Open Offer	INR 3,299.06 million being the total consideration payable to the Public Shareholders by the

<b>Particulars</b>	<b>Details / Definition</b>
Consideration	Acquirer pursuant to the Open Offer.
NBFC	Non-Banking Finance Company
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
Open Offer	Open offer being made by the Acquirer along with the PACs to the Public Shareholders of the Target to acquire up to 20,986,355 (Two Crore Nine Lakh Eighty Six Thousand Three Hundred and Fifty Five) Equity Shares of Face Value of INR 10 (Rupees Ten only) each, representing 26.00% of the Equity Share Capital, at a price of INR 157.20 (Indian Rupees One Hundred Fifty Seven point Twenty Paise only) per Offer Shares
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirer
Offer Price	INR 157.20 (Indian Rupees One Hundred Fifty Seven point Twenty Paise only) per Offer Shares
Offer Shares	20,986,355 (Two Crore Nine Lakh Eighty Six Thousand Three Hundred and Fifty Five only) Equity Shares, representing 26.00% of the Equity Share Capital
Offer Size	Offer Shares representing 26.00% (twenty six percent) of the Voting Share Capital of the Target Company
PAC 1	India Opportunities III Pte. Limited
PAC 2	Mr. Koppara Sajeev Thomas
PACs	PAC 1 and PAC 2 collectively
PAN	Permanent Account Number
Public Announcement / PA	The public announcement in connection with the Open Offer dated May 18, 2018 issued by the Manager on behalf of the Acquirer and the PACs and submitted to Stock Exchanges and SEBI on May 18, 2018
Public Shareholder(s)	All the equity shareholders of the Target Company excluding the Acquirer and the PACs, and the persons acting in concert or deemed to be acting in concert with Acquirer and the PACs.
RBI	Reserve Bank of India
RBI Approval	Prior approval of the RBI pursuant to the provisions of the Reserve Bank of India Circular – RBI/2015-16/122 DNBR (PD) CC.No. 065/03.10.001/2015-16 dated July 9, 2015
Registrar to the Open Offer	Link Intime India Private Limited
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 Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Statutory Auditor	Dass Gupta & Associates, Chartered Accountants, the statutory auditors of the Acquirer
Stock Exchanges	BSE and NSE
Target/ Target Company	Tourism Finance Corporation of India Limited
Tendering Period	July 10, 2018 to July 23, 2018 both days inclusive
Underlying Transaction	Underlying transaction shall have the meaning ascribed to it in Chapter II- Clause A(3).
Voting Share Capital	The fully diluted voting share capital of the Target Company as of the 10th working day from the closure of the Tendering Period.



Particulars	Details / Definition
Working Day(s)	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations

## I. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE 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 (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S). THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF TOURISM FINANCE CORPORATION OF INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PACS 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 THE PACS 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 THE ACQUIRER AND THE PACS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, IDFC BANK LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 1, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PACS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.”

## II. DETAILS OF THE OPEN OFFER

### A. Background to the Open Offer

1. This Open Offer has been made by the Acquirer and the PACs to the Public Shareholders of the Target Company, pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations. The Offer Price will be paid in cash by the Acquirer and the PACs in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, the terms and conditions mentioned in this DPS and Letter of Offer to be issued for the Open Offer in accordance with the SEBI (SAST) Regulations. Pursuant to Open Offer Acquirer shall be the promoter of the Target Company and have control over the Target Company. The PACs shall be part of the promoter group of the Target Company and shall not have any control over the Target Company.
2. The Acquirer, PAC 1 and PAC 2 currently holds 1,07,09,446 (one crore seven lakh nine thousand four hundred and forty six), 32,28,000 (thirty two lakh and twenty eight thousand) and 20,50,000 (twenty lakh and fifty thousand) Equity Shares constituting 13.27% (thirteen point two seven percent), 4.00% (four percent) and 2.54% (two point five four percent) of total fully paid up equity share capital of the Target Company, respectively.
3. This Open Offer is being made on account of the an Inter-se Agreement, wherein they have, *inter alia*, agreed to acquire up to 20,986,355 (two crore nine lakh eighty six thousand three hundred and fifty five) Equity Shares constituting 26% (twenty six percent) of the Voting Share Capital of the Target Company under the Open Offer (the “**Underlying Transaction**”).

#### 4. Underlying Transaction

Some key features of the Agreement are set out below:

- (i) The parties have agreed that PAC 1 shall be entitled to acquire the Equity Shares representing 4.00% (four percent) of the Voting Share Capital (“**PAC 1 Threshold Shares**”). After the acquisition of the PAC 1 Threshold Shares, PAC 2 shall be entitled to acquire the Equity Shares representing 2.46% (two point four six percent) of the Voting Share Capital (“**PAC 2 Threshold Shares**”). After the acquisition of the PAC 1 Threshold Shares and PAC 2 Threshold Shares, as

aforesaid, the remaining Equity Shares tendered in the Open Offer shall be acquired by the Acquirer.

- (ii) All decisions (including all consents, waivers, exercise or non-exercise of rights) pertaining to all actions under the Agreement including the Open Offer shall be taken by the Acquirer after good faith consultation with the PACs and after taking into account or giving due consideration to PAC's concerns. The parties have agreed that until the completion of all activities in relation to the Open Offer, including payment of consideration to all the Public Shareholders of the Target Company who have validly tendered their Equity Shares in the Open Offer, the parties shall consult, work together and cooperate in good faith on all matters relating to the completion of all actions contemplated under the Agreement and Open Offer.
  - (iii) The parties have acknowledged that they may be considered to be "Persons acting in concert" for the purposes of the SEBI (SAST) Regulations and collectively shall be entitled to acquire only up to 5% (five percent) additional voting rights in the manner computed under the SEBI (SAST) Regulations in a Financial Year ("**Creeping Acquisition Limit**"). The Creeping Acquisition Limit shall be allocated to (i) the Acquirer, together with "persons acting in concert" with it (other than PAC 1 and PAC 2), (ii) PAC 1, together with "persons acting in concert" with it (other than the Acquirer and PAC 2) and (iii) PAC 2, together with "persons acting in concert" with it (other than the Acquirer and PAC 1) in proportion to their respective post Open Offer shareholding in the Company. Once the shareholding of PAC 1 and PAC 2 reaches the shareholding limits prescribed under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 then the head room available for acquisition under the Creeping Acquisition Limit shall be for the Acquirer alone.
  - (iv) The Acquirer shall be the promoter of the Target Company and have control over the Target Company. The PACs shall be part of the promoter group of the Target Company and shall not have any control over the Target Company. The Acquirer and the PACs shall have no role in the day-to-day activities, strategic decisions, business plan of the Target Company and the Target Company shall be managed by the board of directors.
  - (v) The Acquirer, PAC 1 and PAC 2 shall be entitled to nominate 1 (one) non-executive director each on the board of the Target Company.
  - (vi) The Agreement may be terminated (i) if any party has breached any term or condition of the Agreement; or (ii) mutually by all parties; or (iii) at any time if the Open Offer is withdrawn in accordance with the Applicable Law; or (iv) prohibition of the transactions by any governmental authority; or (v) on liquidation, bankruptcy, insolvency etc. of the Acquirer or PAC 1; or (vi) rejection of the RBI Approval and consequential withdrawal of the Open Offer; or (vii) on insolvency or death with respect to PAC2.
  - (vii) The Agreement is subject to the laws of India and all disputes are subject to arbitration by a sole arbitrator in accordance with the Arbitration Rules of the Mumbai Centre for International Arbitration, with the seat of arbitration being New Delhi.
5. The Acquirer along with the PACs proposes to extend support to continue and expand the existing business activities in same line through exercising effective management over the Target Company. However, the Acquirer along with the PACs does not have any definitive plan as on the date of this Draft Letter of Offer.
6. As per publicly available information, there is no proposed change in the Board of Directors of the Target Company during the period of the Open Offer.
7. The Acquirer and the PACs are not prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued pursuant to section 11B of the SEBI Act or under any other regulations made pursuant to the SEBI Act.
8. In accordance with regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company will constitute a committee of independent directors to provide their written reasoned recommendation on the Open Offer to the Public Shareholders. Such recommendations shall be published by the Target at least 2 (two) Working Days before the commencement of the Tendering Period in the same newspapers where the Detailed Public Statement was published, in compliance with regulation 26(7) of the SEBI (SAST) Regulations. Simultaneously, a copy of such recommendations will be sent by the Target to SEBI, the Stock Exchanges and to the Manager.

## B. Details of the Open Offer

1. The PA in connection with the Open Offer was made on May 18, 2018 to the Stock Exchanges and a copy thereof was also filed with SEBI on May 18, 2018.
2. In accordance with Regulation 14(3) of SEBI (SAST) Regulations, 2011, the Detailed Public Statement was published in the following newspapers on May 25, 2018:

Newspaper	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition

3. The Public Announcement and the Detailed Public Statement are also available on the website of SEBI at (<http://www.sebi.gov.in>)
4. This Open Offer is being made by the Acquirer along with the PACs to all the Public Shareholders of the Target Company to acquire up to 20,986,355 (two crore nine lakh eighty six thousand three hundred and fifty five only) Equity Shares representing 26.00% (twenty six per cent) of the Voting Share Capital of the Target Company, at an offer price of INR 157.20 (Indian Rupees One Hundred Fifty Seven point Twenty Paise only) per Equity Share aggregating to a total consideration of INR 3,299.06 million. The Offer Price will be payable in cash by the Acquirer along with PACs, in accordance with the provisions of regulation 9(1)(a) of the SEBI (SAST) Regulations. If the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the Offer Size, the Acquirer shall accept the Equity Shares received from the Public Shareholders on a proportionate basis in consultation with the Manager.
5. As on the date of this Draft Letter of Offer, there are no partly paid up equity shares, outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company which are convertible into Equity Shares of the Target Company. The equity share capital of the Target Company as on the 10th Working Day (as defined under the SEBI (SAST) Regulations) from the date of closure of the tendering period on a fully diluted basis (“**Voting Share Capital**”) will be same as that of the Equity Share Capital.
6. There is no differential pricing for this Open Offer.
7. As on the date of the Detailed Public Shareholder, to the best of the knowledge of the Acquirer and the PACs, there are no other statutory approvals except as mentioned section C of part VI (*Statutory & other approvals*) of this Draft Letter of Offer, required to acquire the Offer Shares that are validly tendered pursuant to this Open Offer and to complete the underlying transaction. If, however, any statutory or other approval becomes applicable prior to the completion of the Open Offer, the Open Offer would also be subject to such statutory or other approval(s) and the Acquirer and the PACs shall make necessary applications for such approvals.
8. The Open Offer is not conditional on any minimum level of acceptance by the Public Shareholders in terms of regulation 19 of the SEBI (SAST) Regulations.
9. The Open Offer is not a competing offer and there is no competing offer as on the date of this DLOF in terms of regulation 20 of the SEBI (SAST) Regulations.
10. The Acquirer and the PACs has not acquired any Equity Shares of the Target Company after the date of PA, i.e. May 18, 2018 and upto the date of this DLOF.
11. If any of the statutory approvals set out in section C of part VI (*Statutory & other approvals*) of this Draft Letter of Offer, are not met for reasons outside the reasonable control of the Acquirer and the PACs, or in the event the statutory approvals are refused, the Acquirer and the PACs shall have the right to withdraw this Open Offer in terms of regulation 23 of the SEBI (SAST) Regulations. In the event of a withdrawal of the Open Offer, the Acquirer and the PACs (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds and reasons for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.
12. The Equity Shares will be acquired by the Acquirer as 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 the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.

13. The acquisition of the Offer Shares shall not result in the public shareholding in the Target Company falling below the minimum level required for continued listing under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19A of the Securities Contract (Regulation) Rules, 1957.
14. The Manager does not hold any Equity Shares in the Target Company as on the date of this Draft Letter of Offer. The Manager shall not deal, on their own account, in the Equity Shares of the Target Company during the offer period.

### **C. Object of the Acquisition / Open Offer**

1. The Open Offer is being made to the Public Shareholders in accordance with regulations 3(1) and 4 of the SEBI (SAST) Regulations as a result of the intention of Acquirer and PACs to acquire control over the Target Company in accordance with and subject to the terms of an Inter-se Agreement.
2. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and the PACs have no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company or of entities controlled by the Target Company during the period of 2 years following the completion of the Open Offer except:
  - a) in the ordinary course of business; or
  - b) on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company; or
  - c) as has already been disclosed by the Target Company in the public domain.
3. Other than as set out in Paragraph 2 above, if the Acquirer and/or the PACs intend to alienate any material asset of the Target Company or its subsidiaries, within a period of 2 years from completion of the Open Offer, the Target Company shall seek the approval of its shareholders as per the proviso to Regulation 25(2) of the SEBI (SAST) Regulations.
4. The Acquirer along with the PACs proposes to extend support to continue and expand the existing business activities in same line through exercising effective management over the Target Company. However, the Acquirer along with the PACs does not have any definitive plan as on the date of this DPS.

## **III. BACKGROUND OF THE ACQUIRER AND PACs**

### **A. Acquirer**

1. The Acquirer is a private limited company and was incorporated on June 29, 2010 as “Redkite Capital Private Limited” under the provisions of the Companies Act, 1956, having Corporate Identity Number U65921DL2010PTC204932. Its registered office is located at 4852/24, 1st Floor, Ansari Road, Dariya Ganj, Delhi – 110002, India. The name of the Acquirer has never been changed since the date of its incorporation.
2. The Acquirer is registered with RBI as a non-systemically important non-deposit accepting non-banking finance company (“NBFC”) with registration number N -14.00332.
3. The Acquirer is engaged in the business of investing in shares, stocks, debentures, bonds, lending and advancing of money and such other services and activities which are classified as NBFC services or activities.
4. The authorized share capital of the Acquirer is INR 2,00,00,000 (Indian Rupees two crores only) divided into 20,00,000 (Twenty Lakh) equity shares of INR 10 (Indian Rupees ten) each. Issued, subscribed and fully paid up capital of the Acquirer is INR 83,14,250 (Indian Rupees eighty three lakh fourteen thousand two hundred and fifty only) divided into 8,31,425 (eight lakh thirty one thousand four hundred and twenty five only) equity shares of INR 10 (Indian Rupees ten only) each.
5. The equity shares of the Acquirer are not listed on any recognised stock exchange.
6. The Acquirer does not belong to any group.

7. The Acquirer holds 1,07,09,446 (one crore seven lakh nine thousand four hundred forty six) Equity Shares constituting 13.27% (thirteen point two seven percent) of total equity share capital of the Target Company.
8. The directors and key employees of the Acquirer do not have any direct interest in the Target Company. There are no directors on the board of the Target Company representing the Acquirer.
9. The Acquirer has not acquired any Equity Shares after the date of the Public Announcement.
10. The Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) or under any other regulations made under the SEBI Act.
11. Save and except for the PACs, no other person is acting in concert with the Acquirer for the purpose of this Open Offer.
12. Acquirer is in compliance with the applicable provisions of chapter V of SEBI SAST Regulations.
13. All the Offer Shares will be acquired by the Acquirer and the PACs.
14. The Acquirer’s key financial information based on its audited standalone financial statements as of and for the financial years ended March 31, 2015, March 31, 2016 and March 31, 2017 audited by Dass Gupta & Associates, Chartered Accountants, the Statutory Auditors of the Acquirer (“Statutory Auditor”) and the interim reviewed financial information for nine months ended December 31, 2017 reviewed by the Statutory Auditor, is as below:

*(In INR)*

Particulars	Financial year ended March 31, 2015 (Audited) (Standalone)	Financial year ended March 31, 2016 (Audited) (Standalone)	Financial year ended March 31, 2017 (Audited) (Standalone)	Nine months ended December 31, 2017 (interim Reviewed) (Standalone)
<b>Profit and Loss Statement</b>				
Income from operations	129,022,473	103,194,322	103,647,084	48,227,494
other Income	3,677,831	3,793,074	164,959	1,278,964
<b>Total Income</b>	<b>132,700,304</b>	<b>106,987,396</b>	<b>103,812,043</b>	<b>49,506,458</b>
Total Expenses (Before Depreciation Interest and Tax)	2,010,306	4,889,940	2,406,665	4,080,507
Profit Before Depreciation Interest and Tax	130,689,998	102,097,456	101,405,378	45,425,951
Depreciation	31,047	31,015	33,751	26,286
Interest	50,526,400	52,449,957	59,488,523	36,488,575
Profit Before Tax	80,132,551	49,616,484	41,883,104	8,911,090
Provision for Tax	25,892,129	16,723,833	13,868,392	-
Profit After Tax	54,240,422	32,892,651	28,014,712	8,911,090
<b>Balance Sheet</b>				
<b>Sources of Fund</b>				
Paid up Share Capital	7,430,000	8,314,250	8,314,250	8,314,250
Reserves and Surplus (excluding revaluation reserves)	147,769,634	180,662,285	208,676,997	217,588,087
<b>Networth (A)</b>	<b>155,199,634</b>	<b>188,976,535</b>	<b>216,991,247</b>	<b>225,902,337</b>
Secured Loans	500,000,000	492,000,000	19,930,641	683,590,481
Un-secured Loans	-	-	107,401,155	980,000,000
Other Non-current Liabilities (comprising of Deferred Tax Liability and excluding Long Term Borrowings)	50,158	72,566	91,952	91,952

Particulars	Financial year ended March 31, 2015 (Audited) (Standalone)	Financial year ended March 31, 2016 (Audited) (Standalone)	Financial year ended March 31, 2017 (Audited) (Standalone)	Nine months ended December 31, 2017 (interim Reviewed) (Standalone)
Current Liabilities (comprising of Other Current Liabilities and Short Term Provisions and excluding short term borrowings)	8,671,709	8,570,066	983,039	22,816,093
<b>Total (B)</b>	<b>508,721,867</b>	<b>500,642,632</b>	<b>128,406,787</b>	<b>1,686,498,526</b>
<b>Total Source of Funds</b>	<b>663,921,501</b>	<b>689,619,167</b>	<b>345,398,034</b>	<b>1,912,400,863</b>
<b>Use of Funds</b>				
Net Fixed Assets (Tangible and Intangible Assets)	2,075,091	2,077,314	2,056,562	2,030,277
Long Term Loans and Advances	649,655,919	655,467,669	89,855,746	223,502,686
Investments (comprising of long term and current Investment)	1,000,000	-	4,620,186	1,618,654,735
Net Current Assets (Including Cash and Cash Equivalents and excluding current investments)	11,190,491	32,074,184	248,865,540	68,213,165
Total miscellaneous expenditure not written off	-	-	-	-
<b>Total Use of Funds</b>	<b>663,921,501</b>	<b>689,619,167</b>	<b>345,398,034</b>	<b>1,912,400,863</b>
<b>Other Financial Data</b>				
Dividend (%)	Nil	Nil	Nil	Nil
Earnings Per Share (Basic and Diluted)	73.00	39.56	33.69	10.72

Source: The standalone financial information for financial year ended March 31, 2015, March 31, 2016 and March 31, 2017 set forth above has been extracted from the Acquirer's audited standalone financial statements audited by the Statutory Auditor for the relevant period. The standalone reviewed financials information for nine months ended December 31, 2017 set forth above has been extracted from the Acquirer's interim reviewed financials.

15. Major Contingent Liability of Acquirer:
- Income tax demand has been received from the Indian tax authorities for payment of additional tax of Rs. 2,14,21,450/-, upon completion of their tax review for the financial years 2011-12 (assessment year 2012-13). The company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.
  - Penalty Order under section 271(1)(c) of Income Tax Act, 1961 has been received from the Indian tax authorities for payment of penalty amounting to Rs. 22,970/-, upon completion of their tax review for the financial years 2010-11 (AY 2011-12). The company is contesting the penalty demand and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.
16. The shareholders of the Acquirer are Epitome Multitrade Private Limited, Aparajita Mercantile Private Limited, Monisha Financial Services Private Limited, Larissa Financial Advisory Services Private Limited and Om Prakash Khandelwal. Mr. Naresh Jain and Mrs. Namita Jain are persons in control/promoters of the Acquirer.

17. The shareholding pattern of the Acquirer as on date of DLOF is as follows:

Sr. No.	Shareholder Categories	Number of Shares	Percentage Holding (%)
1	Promoters*	4,14,500	49.85%
2	FII/Mutual -Funds/FIs/Banks	Nil	Nil
3	Public	4,16,925	50.15%
	<b>Total</b>	<b>8,31,425</b>	<b>100.00%</b>

\* Promoters of Acquirer holding 117,000 equity shares through Epitome Multitrade Private Limited and 297,500 equity shares through Aparajita Mercantile Private Limited.

18. The details of Board of Directors of the Acquirer as on date of DLOF is as follows:

Name of Director	DIN	Qualification and Experience	Date of Appointment
Naresh Tikamchand Jain	01558836	A member of the Institute of Chartered Accountants of India since 1997 and is also a Law Graduate. He has an experience of 21 years in almost every facet of the accounting, auditing and consulting profession.	August 1, 2011
Namita Naresh Jain	01864313	She is B. Com Graduate and has experience of 10 years in field of finance	March 31, 2015
Ashok Gupta	01267497	He is a Chartered Accountant and is a veteran in tax laws, commercial laws, company law, accounting and auditing standards. He has an experience of 40 years in the fields of accounts and finance.	June 29, 2010
A R Gokulakrishnan	08041586	He is a BSC and CAIIB He is an eminent banker who retired as Head of Wholesale Banking Operations (WBO) of Axis Bank. Has held various leadership positions in various divisions of Axis Bank during his tenure in the Bank. He has about 38 years of experience in banking and finance industry.	January 4, 2018

19. The Acquirer and PAC 2 had submitted and won a joint bid for acquiring the equity share of the Target Company from IFCI Limited. The Acquirer and the PACs have been disclosed as persons acting in concert since September 29, 2017. The Acquirer and the PACs currently hold 19.81% (Nineteen point eight one percent) of the issued and outstanding equity share capital of the Target Company. The Acquirer and the PACs have entered into the Agreement to acquire Equity Shares of the Target Company under the Open Offer and to manage the inter-se relationship between the Acquirer and the PACs in relation to the Open Offer and the Target Company.

## B. PAC 1

- PAC 1 is a private limited company and was incorporated on July 30, 2014 as “India Opportunities III Pte. Limited” in the Republic of Singapore under the Singapore Companies Act (Cap 50), having Business Registration Number 201422203H. The registered office of the PAC 1 is located at 39 Robinson Road, #15-03 Robinson Point, Robinson Point, Singapore – 068911. The name of the PAC 1 has never been changed since the date of its incorporation.
- PAC 1 is registered as a Category II Foreign Portfolio Investor (“FPI”) with the SEBI with registration number INSGFP020015 since January 22, 2015.
- PAC 1 is currently engaged in the business of investing into the Asia Pacific region with primary focus on India through the purchase of, amongst other things, non-convertible debentures issued by Indian companies in accordance with the SEBI and the RBI guidelines governing such investments by the FPIs and subscription to security receipts issued by asset reconstruction companies.

4. As of December 31, 2017, the issued and paid-up share capital of the PAC 1 is USD 1,05,69,923 (United States Dollar ten million five hundred sixty nine thousand nine hundred and twenty three) divided into 1,05,69,923 (ten million five hundred sixty nine thousand nine hundred and twenty three) ordinary shares of USD 1 (United States Dollar one) each and USD 13,47,38,165 (United States Dollar one hundred and thirty four million seven hundred and thirty eight thousand one hundred and sixty five) divided into 13,47,38,165 (one hundred and thirty four million seven hundred and thirty eight thousand one hundred and sixty five) preference shares of USD 1 (United States Dollar one) each.
5. The shares of PAC 1 are not listed on any recognised stock exchange.
6. Shareholders of PAC 1 are Baymount Global Limited and SSG Capital Partners III, L.P. PAC 1 is 100% ultimately owned by SSG Capital Partners III, L.P.
7. The shareholding pattern of PAC 1 as on date of DLOF is as follows:

Sr. No.	Shareholder Categories	Number of Shares	Percentage Holding (%)
1	Promoters/Person in control*	145,308,088	100.00%
2	FII/Mutual -Funds/FIs/Banks	-	-
3	Public	-	-
	<b>Total</b>	<b>145,308,088</b>	<b>100.00%</b>

\* PAC1 shared are owned by Baymount Global Limited and SSG Capital Partners III, L.P. Their direct shareholdings are 32% and 68%, respectively. It is to be noted that Baymount Global Limited is 100% owned by SSG Capital Partners III, L.P.. Henceforth, PAC1 is 100% ultimately owned by SSG Capital Partners III, L.P.

8. PAC 1 holds 32,28,000 (thirty two lakh twenty eight thousand) Equity Shares constituting 4.00% (four percent) of total equity share capital of the Target Company.
9. The directors and key employees of PAC 1 do not have any direct interest in the Target Company. There are no directors representing PAC 1 on the board of the Target Company.
10. The details of Board of Directors of PAC 1 as on date of DLOF is as follows:

Name of Director	DIN	Qualification and Experience	Date of Appointment
Mr. Ranjan Lath	07177420	<p>He is a Chartered Accountant. His experience is as follows:</p> <p>a) <b>SSG Capital Management (Singapore) Pte. Ltd. (From 2013 till date):</b> Responsible for Operations, Finance, Risk management and Compliance for the Singapore operations</p> <p>b) <b>Fortis Healthcare International Pte. Limited, VP &amp; Global Head-Risk &amp; Internal Audit (2012 – 2013):</b> Setting up and running the Group Internal Audit and Risk function. Quarterly reporting to the Board</p> <p>c) <b>KPMG Hong Kong, Partner (2004 – 2012):</b> Managing a portfolio of over 40 clients (listed and non-listed) and responsible for assurance services</p> <p>d) <b>JP Morgan, Mumbai, Senior Researcher (2004 – 2004):</b> Provide support to APAC investment banking team in deal origination and research activities</p>	July 30, 2014



Name of Director	DIN	Qualification and Experience	Date of Appointment
		e) <b>KPMG Hong Kong, Audit Manager (2001 – 2003):</b> Support Audit Partner in statutory audits of a portfolio of listed and non-listed clients	
Mr. Shyam Maheshwari	01744054	<p>He holds Post Graduate Diploma in Management (Finance) from Indian Institute of Management, Bangalore, India. His experience is as follows:</p> <p>a) <b>SSG Capital Management (Singapore) Pte. Ltd. as Chief Executive Officer (2014 to present):</b> Advise and source origination of investment opportunities, undertake asset management</p> <p>b) <b>SSG Capital Management (Hong Kong) Limited, Partner (2009 – 2014):</b> Fund raising activity and overseeing all investment activities in APAC region including India</p> <p>c) <b>Nomura International (Hong Kong) limited (2008 – 2008):</b> Investment analysis of potential Special Situations opportunities</p> <p>d) <b>Lehman Brothers Asia Holdings, Hong Kong (2006 – 2008):</b> Managing book of over USD800m of special situation debt investments spread in the APAC region</p> <p>e) <b>Lehman Brothers Japan Inc., Tokyo (1999 – 2006):</b> Managing illiquid portfolio including loans and convertibles across Asia.</p>	December 3, 2014
Mr. Dinesh Goel	03310460	<p>He holds Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad, India. His experience is as follows:</p> <p>a) <b>SSG Capital Management (Singapore) Pte. Ltd. as Managing Director (2014 to present):</b> Advise and source origination of investment opportunities, undertake asset management</p> <p>b) <b>SSG Capital Management (Hong Kong) Limited, Director (2009 – 2014):</b> Responsible for identifying, assessing and executing special situations investments in APAC region</p>	July 30, 2014

Name of Director	DIN	Qualification and Experience	Date of Appointment
		c) <b>Nomura International (Hong Kong) limited (2008 – 2008):</b> Investment analysis of potential Special Situations opportunities	
		d) <b>Lehman Brothers Asia Holdings, Hong Kong (2005 – 2008):</b> Responsible for key risk positions, client interaction and P/L monitoring	
		e) <b>Lehman Brothers, Tokyo (2002 – 2005):</b> Analyse Asia ex-Japan based large corporates and provide views regarding their credit worthiness	

11. PAC 1 has not acquired any Equity Shares after the date of the Public Announcement.
12. PAC 1 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
13. Save and except for the PACs, no other person is acting in concert with the Acquirer for the purpose of this Open Offer.
14. PAC 1 is in compliance with the applicable provisions of Chapter V of SEBI SAST Regulations.
15. All the Offer Shares will be acquired by the Acquirer and the PACs.
16. PAC 1's key financial information based on its audited standalone financial statements as of and for the financial years ended December 31, 2015 audited by CA Trust PAC and December 31, 2016 and December 31, 2017 audited by PricewaterhouseCoopers LLP, is as below:

Particulars	Financial year ended December 31, 2015 (Audited) (Standalone)		Financial year ended December 31, 2016 (Audited) (Standalone)		Financial year ended December 31, 2017 (Audited) (Standalone)	
	In USD	In INR	In USD	In INR	In USD	In INR
<b>Profit and Loss Statement</b>						
Income from operations	5,064,195	335,887,797.57	23,859,657	1,621,375,833.54	27,232,708	1,740,913,494.13
other Income	257,441	17,075,031.77	1,895,596	128,814,657.50	1,480,394	94,637,591.36
<b>Total Income</b>	<b>5,321,636</b>	<b>352,962,829.34</b>	<b>25,755,253</b>	<b>1,750,190,491.04</b>	<b>28,713,102</b>	<b>1,835,551,085.48</b>
Total Expenses	(302,181)	(20,042,457.01)	(1,969,205)	(133,816,735.01)	(1,579,212)	(100,954,759.29)
Profit Before Depreciation Interest and Tax	5,019,455	332,920,372.33	23,786,048	1,616,373,756.03	27,133,890	1,734,596,326.20
Depreciation	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Profit Before Tax	5,019,455	332,920,372.33	23,786,048	1,616,373,756.03	27,133,890	1,734,596,326.20
Provision for Tax	(1,062,785)	(70,490,277.91)	(2,904,363)	(197,365,116.36)	(6,159,766)	(393,777,209.01)
Profit After Tax	3,956,670	262,430,094.42	20,881,685	1,419,008,639.67	20,974,124	1,340,819,117.19
<b>Balance Sheet</b>						
<b>Sources of Fund</b>						
Paid up Share Capital	82,650,366	5,481,868,175.32	114,697,514	7,794,235,154.62	145,308,088	9,289,153,734.00
Reserves and Surplus	2,854,561	189,331,612.89	49,200	3,343,371.24	16,925,715	1,082,015,260.52

Particulars	Financial year ended December 31, 2015 (Audited) (Standalone)		Financial year ended December 31, 2016 (Audited) (Standalone)		Financial year ended December 31, 2017 (Audited) (Standalone)	
	In USD	In INR	In USD	In INR	In USD	In INR
(excluding revaluation reserves)						
<b>Networth* (A)</b>	<b>85,504,927</b>	<b>5,671,199,788.20</b>	<b>114,746,714</b>	<b>7,797,578,525.86</b>	<b>162,233,803</b>	<b>10,371,168,994.52</b>
Secured Loans	-	-	-	-	-	-
Un-secured Loans	32,670,541	2,166,906,302.37	44,053,852	2,993,666,296.50	46,139,446	2,949,570,206.28
<b>Total loan funds (B)</b>	<b>32,670,541</b>	<b>2,166,906,302.37</b>	<b>44,053,852</b>	<b>2,993,666,296.50</b>	<b>46,139,446</b>	<b>2,949,570,206.28</b>
<b>Total Source of Funds (A+B)</b>	<b>118,175,468</b>	<b>7,838,106,091</b>	<b>158,800,566</b>	<b>10,791,244,822</b>	<b>208,373,249</b>	<b>13,320,739,201</b>
<b>Use of Funds</b>						
Net Fixed Assets	-	-	-	-	-	-
Investments	118,906,299	7,886,579,187.47	150,339,577	10,216,280,853.16	211,875,883	13,544,653,135.31
Net Current Assets	(730,831)	(48,473,096.91)	8,460,989	574,963,969.20	(3,502,634)	(223,913,934.51)
Total miscellaneous expenditure not written off	-	-	-	-	-	-
<b>Total use of Funds</b>	<b>118,175,468</b>	<b>7,838,106,090.57</b>	<b>158,800,566</b>	<b>10,791,244,822.36</b>	<b>208,373,249</b>	<b>13,320,739,200.80</b>
<b>Other Financial Data</b>						
Dividend (%)	1.3%	-	20.7%	-	2.8%	-
Earning Per Share	0.05	3.18	0.18	12.37	0.14	9.23
RBI Rate as on financial year ending**	66.3260		67.9547		63.9273	

Source: The standalone financial information set forth above has been extracted from the PAC 1's audited standalone financial statements audited by CA Trust PAC for financial year ended December 31, 2015 and by PricewaterhouseCoopers LLP for financial year ended December 31, 2016 and financial year ended December 31, 2017.

\* Net worth/Shareholders Funds = Equity share capital + Retained earning

\*\* Source: www.rbi.org.in. Rates are as of last working day of calendar year i.e. December 31 of relevant year

17. There are no major contingent liability against PAC 1
18. PAC 1 had acquired Equity Shares of the Target Company on September 29, 2017. The Acquirer and PAC 1 have been disclosed as persons acting in concert since September 29, 2017. The Acquirer and the PACs have entered into the Agreement to acquire Equity Shares of the Target Company under the Open Offer and to manage the inter-se relationship between the Acquirer and the PACs in relation to the Open Offer and the Target Company.

### C. PAC 2

1. PAC 2 is a resident of Singapore currently residing at 23 Stevens DR, 04-01 Parc Stevens, Singapore – 257914. PAC 2 holds degree in Masters in Business Administration from Indian Institute of Management, Ahmedabad and have experience in field of banking and finance.
2. As on date of this DLOF, PAC 2 holds 20,50,000 (twenty lakh fifty thousand) Equity Shares constituting 2.54% (two point five four percent) of total equity share capital of the Target Company.
3. PAC 2 is not part of any group.

4. The Net worth of PAC 2 is INR 1,376 Million (Indian Rupees one thousand three hundred and seventy six million only) as certified vide certificate dated February 5, 2018 by N.H. Shah & Associates, Chartered Accountants (Firm Registration No. 131570W), having office at Mumbai.
5. As on date of this Detailed Public Statement, PAC 2 does not have any direct interest in the Target Company except for as mentioned in point no. 2 above.
6. PAC 2 has not acquired any Equity Shares after the date of the Public Announcement.
7. PAC 2 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
8. Save and except for the PACs, no other person is acting in concert with the Acquirer for the purpose of this Open Offer.
9. All the Offer Shares will be acquired by the Acquirer and the PACs.
10. PAC 2 is not a whole-time director on the board of directors of any company.
11. The PAC 2 is not a director on the board of directors of any listed company.
12. PAC 2 is in compliance with the applicable provisions of Chapter V of SEBI SAST Regulations.
13. The Acquirer and PAC 2 had submitted and won a joint bid for acquiring the Equity Shares of the Target Company from IFCI Limited. The Acquirer and PAC 2 have been disclosed as persons acting in concert since September 29, 2017. The Acquirer and the PACs have entered into the Agreement to acquire Equity Shares of the Target Company under the Open Offer and to manage the inter-se relationship between the Acquirer and the PACs in relation to the Open Offer and the Target Company.

#### IV. BACKGROUND OF THE TARGET COMPANY

1. The Target Company was incorporated on January 27, 1989 as Tourism Finance Corporation of India Limited under the provisions of the Companies Act, 1956, as amended. There has been no change in the name of the Target Company in the last three years.
2. The Corporate Identity Number of the Target Company is L65910DL1989PLC034812.
3. The registered office of the Target Company is located at 4th Floor, Tower-1, NBCC Plaza, Pushp Vihar, Sector - 5, Saket, New Delhi, 110017.
4. The Target Company provides financial assistance to enterprises for setting up and development of tourism related activities, facilities and services. It also provides financial assistance for infrastructure development work or facility which may include roads, highways, railways, airways, port, transport systems, bridges, telecommunication, health, education, and food and agriculture infrastructure amongst others.
5. The Target Company has been notified as a Public Financial Institution under section 4A of the Companies Act, 1956, vide Notification No S.O 7(E) dated the January 3, 1990 issued by the Ministry of Industry, Department of Company Affairs. The Target Company is also registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a systemically important non-deposit accepting non-banking finance company with registration number B.14.00005 dated May 8, 2009.
6. The Equity Shares of the Target Company are currently listed on the BSE (Scrip/Security Code: 526650) and the NSE (Symbol: TFCILTD). The ISIN of Equity Shares is INE305A01015.
7. The Equity Shares are frequently traded on both the Stock Exchanges within the meaning of the explanation provided to Regulation 2(1) (j) of the SEBI (SAST) Regulations.
8. The total authorized share capital of the Target Company is INR 5,00,00,00,000 consisting of 25,00,00,000 Equity Shares of INR 10/- each and 25,00,00,000 Cumulative Redeemable Preference Shares of INR 10/- each. As on the date of this Draft Letter of Offer, the total equity share capital of the Target Company (“Equity Share Capital”) is as follows:

Paid up Equity Shares of the Target Company	No. of Equity Shares/voting rights	% of Equity Shares/voting rights
Fully paid up Equity Shares	8,07,16,748	100%

<b>Paid up Equity Shares of the Target Company</b>	<b>No. of Equity Shares/voting rights</b>	<b>% of Equity Shares/voting rights</b>
Partly paid up Equity Shares	Nil	Nil
Total paid up Equity Shares	8,07,16,748	100%
Total voting rights in Target Company	8,07,16,748	100%

9. Trading of the Equity Shares of the Target Company is not currently suspended on any of the Stock Exchanges. There are no shares of the Target Company that are not listed on BSE and NSE.
10. As on the date of the Draft Letter of Offer there are no partly paid up Equity Shares in the share capital of the Target Company and there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company. The Target Company does not have any locked-in shares.
11. The details of the board of directors of the Target Company as of the date of the Draft Letter of Offer are provided below:

<b>Sl. No.</b>	<b>Name of the director</b>	<b>Designation</b>	<b>DIN</b>	<b>Date of appointment</b>
1.	Sridhar Srinivasan	Independent Director	0000004272	May 27, 2014
2.	Sethurathnam Ravi	Independent Director	0000009790	November 06, 2013
3.	Subrahmonyan Chandra Sekhar	Independent Director	0000024780	March 18, 2015
4.	Kokku Bhaskara Nagendra Murthy	Independent Director	0000359864	January 22, 2016
5.	Suman Billa	Nominee Director	0000368821	March 15, 2016
6.	Munshi Bapi	Additional Independent Director	0002470242	February 01, 2018
7.	Niraj Agarwal	Director	0006483526	June 17, 2013
8.	Rekha Sharma	Independent Director	0007541804	June 14, 2016
9.	Rudhra Gangadharan	Independent Director	0007863333	June 30, 2017

12. There has been no merger/de-merger, spin off during last three years involving the Target Company
13. Brief audited consolidated financials of the Target Company as of and for the financial years ended 31st March 2015, 2016 and 2017 and audited financials for 9 months ended December 31, 2017, are provided below:

(Rs. In Lacs)

<b>Particulars</b>	<b>Financial year ended March 31, 2015 (Audited) (Standalone)</b>	<b>Financial year ended March 31, 2016 (Audited) (Standalone)</b>	<b>Financial year ended March 31, 2017 (Audited) (Standalone)</b>	<b>Nine months ended December 31, 2017 (Audited) (Standalone)</b>
<b>Profit and Loss Statement</b>				
Income from operations	18615.72	18422.03	20771.48	17092.44
other Income	189.14	142.52	82.67	18.43
<b>Total Income</b>	<b>18,804.85</b>	<b>18,564.55</b>	<b>20,854.15</b>	<b>17110.87</b>
Total Expenses (Before Depreciation Interest and Tax)	2,022	1,911	4,345	1,196.75
Profit Before Depreciation Interest and Tax	16,783	16,654	16,509	15,914.12
Depreciation	79.65	73.15	61.59	59.00
Interest	8517.61	9012.73	9080.95	7,144.51
Exceptional items	-	-	2,336	-
Profit Before Tax	8,185.91	7,567.91	9,701.95	8,710.61
Provision for Tax	2167.99	2206.52	2659.09	2,250.00
Profit After Tax	6,017.92	5,361.39	7,042.85	6,460.61
<b>Balance Sheet</b>				
<b>Sources of Fund</b>				
Paid up Share Capital	8071.67	8071.67	8071.67	Not
Reserves and Surplus (excluding revaluation)	39838.44	43333.80	47352.84	Available

Particulars	Financial year ended March 31, 2015 (Audited) (Standalone)	Financial year ended March 31, 2016 (Audited) (Standalone)	Financial year ended March 31, 2017 (Audited) (Standalone)	Nine months ended December 31, 2017 (Audited) (Standalone)
reserves)				
<b>Networth (A)</b>	<b>47,910.11</b>	<b>51,405.48</b>	<b>55,424.52</b>	
Secured Loans	17500.01	21499.91	26846.49	
Un-secured Loans	78150.00	78150.00	78150.00	
Other Non-current Liabilities (comprising of Deferred Tax Liability (net), Other Long Term Liabilities and Long Term Provisions and excluding Long Term Borrowings)	3250.85	3501.33	3622.37	
Current Liabilities (comprising of Other Current Liabilities and Short Term Provisions and excluding short term borrowings)	3276.51	4463.37	5986.44	
<b>Total (B)</b>	<b>102177.37</b>	<b>107614.62</b>	<b>114605.30</b>	
<b>Total Sources of Funds (A+B)</b>	<b>150,087.48</b>	<b>159,020.09</b>	<b>170,029.82</b>	
<b>Use of Funds</b>				
Net Fixed Assets	2953.24	2912.65	2040.14	
Long Term Loans and Advances	106654.01	114477.60	124172.75	
Investments (current Investments+ Non-Current Investments)	19031.46	25453.41	24764.94	
Net Current Assets (total current assets - current Investments)	21448.77	16176.44	19052.00	
Total miscellaneous expenditure not written off	0.00	0.00	0.00	
<b>Total use of Funds</b>	<b>150,087.48</b>	<b>159,020.09</b>	<b>170,029.82</b>	
<b>Other Financial Data</b>				
Dividend (% per equity shares)	18.00%	18.00%	20.00%	0.00%
Earning Per Share (Basic and Diluted)	7.46	6.64	8.73	8.00

14. Contingent Liabilities as on December 31, 2017 are Rs.17,23,68,276/- being Income Tax in dispute and appeal is pending before CIT(A)/ITAT. In similar matters in previous years decision of appellate authority is in favour of TFCI.
15. The above data about Target Company is obtained from publicly available information.
16. Shareholding pattern of the Target Company as on pre (i.e. as on March 31, 2018) and post Open Offer is provided below:

Shareholders' category	Shareholding & voting rights prior to the agreement/ acquisition and the Open Offer.		Shares /voting rights agreed to be acquired which triggered off the Regulations.		Shares/voting rights to be acquired in the Open Offer (Assuming full acceptances and as set out in Part II (Background to the Open Offer) of this DLOF)		Shareholding / voting rights after the acquisition and the Open Offer.	
	(A)*		(B)		(C)		(A)+ (B) + (C) = (D)	
	Number	%	Number	%	Number	%	Number	%
(1) Promoter and Promoter Group	71,62,616	8.87	Nil	Not Applicable	Nil	Not Applicable	71,62,616	8.87
(2) Acquirer along with the PACs								
a) Acquirer	107,09,446	13.27	2,09,86,355	26.00	1,57,72,052	19.54	2,64,81,498	32.81

b) PAC 1	32,28,000	4.00			32,28,670	4.00	64,56,670	8.00
c) PAC 2	20,50,000	2.54			19,85,633	2.46	40,35,633	5.00
Total (a+b+c)	15987446	19.81	2,09,86,355	26.00	2,09,86,355	26.00	3,69,73,801	45.81
<b>(3) Public (other than Acquirer and the PAC)*</b>								
a) FIs/MFs/ FPIs/Banks/ SFIs	59,96,117	7.43	(2,09,86,355)	(26.00)	(2,09,86,355)	(26.00)	3,65,80,331	45.32
b) Others	5,15,70,569	63.89						
Total (a+b)	5,75,66,686	71.32	(2,09,86,355)	(26.00)	(2,09,86,355)	(26.00)	3,65,80,331	45.32
Grand Total	8,07,16,748	100.00	Nil	Not Applicable	Nil	Not Applicable	8,07,16,748	100.00

\* Pursuant to Open Offer Acquirer shall be the promoter of the Target Company and have control over the Target Company. The PACs shall be part of the promoter group of the Target Company and shall not have any control over the Target Company.

17. Acquirer and PACs have not acquired any Equity Shares after date of PA till the date of Draft Letter of Offer.
18. The acquisition of the Offer Shares shall not result in the public shareholding in the Target Company falling below the minimum level required for continued listing under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19A of the Securities Contract (Regulation) Rules, 1957.

## V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### A. Justification of Offer Price

1. The Open Offer is being made to the Public Shareholders in accordance with regulations 3(1) and 4 of the SEBI (SAST) Regulations as a result of the intention of the Acquirer along with PACs to acquire control over the Target Company in accordance with and subject to the terms of an Inter-se Agreement. Pursuant to the Open Offer, the Acquirer and the PACs may collectively hold 25% or more of the Voting Share Capital.
2. The Equity Shares are listed on the NSE and the BSE.
3. The trading turnover in the Equity Shares based on the trading volumes during the twelve calendar months prior to the calendar month of the PA on the BSE and NSE is as given below:

Stock exchange	Total traded volumes during the 12 calendar months preceding the calendar month of the PA ("A")	Weighted average number of Equity Shares during the 12 calendar months preceding date of the PA ("B")	Trading turnover % (A/B)
NSE	28,49,29,177	8,07,16,748	353.00%
BSE	6,11,58,025	8,07,16,748	75.77%

4. Based on the above, the Equity Shares are frequently traded on the Stock Exchanges in terms of regulation 2(1)(j) of the SEBI (SAST) Regulations.
5. The Offer Price of INR 157.20 (Indian Rupees one hundred fifty seven and twenty paise only) per Equity Share is justified in terms of regulation 8(2) of the SEBI (SAST) Regulations, being higher than the highest of the following parameters:

SL. No.	Details	Price (in INR per Equity Share)
A	The highest negotiated price per Equity Share of the Target Company for acquisition under the Agreement attracting the obligation of the Open Offer i.e. the price per share under the Agreement	Not Applicable
B	The volume weighted average price paid or payable per Equity Share for acquisitions by the Acquirer or any of the PACs during the fifty two weeks immediately preceding the date of the Public Announcement	150.00
C	The highest price per Equity Share paid or payable for any acquisition by the	150.00

	Acquirer or any of the PACs during the twenty six weeks immediately preceding the date of the Public Announcement	
D	The volume weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the Public Announcement as traded on NSE	157.18
E	Where the shares are not frequently traded, the price determined by the acquirer and the manager to the open 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

Source: CA Certificate issued by Meghal Jain & Associates, Chartered Accountants (FRN: 133824W) dated May 18, 2018.

6. 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. 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 Open Offer.
7. As on date there is no revision in Offer Price or Offer Size. The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and/or the PACs at any time prior to 3 (three) Working Days (as defined in the SEBI (SAST) Regulations) 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/or the PACs is required to (i) make corresponding increases to the amount kept in the escrow account, as set out in paragraph 2 of Part B (*Financial Arrangements*) of this Draft Letter of Offer; (ii) make a public announcement in the newspapers where the detailed public statement 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.
8. If the Acquirer or the PACs acquire Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer and the PACs 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 Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011, or pursuant to SEBI (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.
9. In the event that the number of Equity Shares (including demat shares and physical shares) validly tendered by the Public Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.

## B. Financial Arrangements

1. The total funding requirement for the Open Offer, assuming full acceptance, i.e. for the acquisition of up to 20,986,355 (two crore nine lakh eighty six thousand three hundred and fifty five) Equity Shares, at the Offer Price of INR 157.20 (Indian Rupees one hundred fifty seven and twenty paise only) per Equity Share is INR 3,299.06 million (“**Maximum Open Offer Consideration**”).
2. The Acquirer and the PACs has adequate resources to meet the financial requirements of this Open Offer and by way of security for performance of its obligations under the SEBI (SAST) Regulations, the Acquirer and the PACs have created (a) an escrow account named “**TFCIL Open Offer Escrow Account**” (“**Escrow Account**”) with IndusInd Bank Limited (acting through its office at Shop No 2/3, Atlanta Building, Ground Floor, Nariman Point, Mumbai – 400 021)(the “**Escrow Bank**”) and PAC 2 has deposited a sum of INR 15,00,00,000 (Indian Rupees fifteen crore) in the Escrow Account and (b) furnished an unconditional, irrevocable, and on demand bank guarantee dated May 22, 2018 having bank guarantee number OGT0005180021127 of an amount of INR 67,50,00,000 (Indian Rupees Sixty seven crore and fifty lakhs) issued by IndusInd Bank Limited (acting through its office at Dr. Gopal Das Bhawan 28,



Barakhamba Road, New Delhi - 110 001), in favour of the Manager (“**Bank Guarantee**”). The Bank Guarantee is valid upto February 21, 2019. The Manager has been duly authorised to realize the value of the aforesaid Bank Guarantee in terms of the SEBI (SAST) Regulations. The Acquirer undertakes that in case the Open Offer process is not completed within the validity of the Bank Guarantee, then either the current Bank Guarantee will be further extended or a new bank guarantee will be arranged with validity of at least upto the 30th day from the date of completion of payment of the shares validly tendered in the Open Offer. The bank issuing the Bank Guarantee is neither an associate company nor a group company of the Acquirer, the PACs or the Target Company.

3. The amount deposited in Escrow Account, along with the Bank Guarantee are in excess of a sum total of 25% of the Maximum Open Offer Consideration, as required under Regulation 17(1) of the SEBI (SAST) Regulations.
4. The Acquirer has entered into a debenture subscription agreement dated May 11, 2018 and debenture trust deed dated May 11, 2018 offering debentures of an amount up to INR 250,00,00,000 (Indian Rupees two hundred fifty crores only). The monies to be received in relation to subscription of debentures shall be utilised exclusively for acquiring not more than 1,37,00,000 Equity Shares (i.e. 17% shareholding) of Target Company. The subscription is subject to compliance with certain conditions precedent including receipt of RBI and SEBI approval in relation to the Open Offer.
5. Meghal Jain & Associates, Chartered Accountants (FRN: 133824W) having office at 384/J, Shop No. 19/20, 1ST Floor, Dabholkarwadi, Kalbadevi Road, Mumbai – 400 002; Tel No.: +91 9969178022 / 8169215967; have, vide its certificate dated May 18, 2018, certified that the Acquirer and the PACs have adequate financial resources through verifiable means to fulfil its payment obligations under this Open Offer.
6. The Manager has entered into an agreement dated May 18, 2018 with the Acquirer, the PACs and the Escrow Bank (“**Escrow Agreement**”) pursuant to which the Acquirer has solely authorized the Manager to realize the value of the Escrow Account and to operate the special escrow account as per the provisions of the SEBI (SAST) Regulations.
7. The Manager is satisfied that firm arrangements have been put in place by the Acquirer and the PACs to fulfill their obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

## **VI. TERMS AND CONDITIONS OF THE OPEN OFFER**

### **A. Operational Terms and Conditions**

1. In terms of the schedule of activities, the Tendering Period for the Open Offer shall commence on Tuesday, July 10, 2018 and close on Monday, July 23, 2018.
2. The Equity Shares tendered under this Open 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, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
3. This is not a conditional Open Offer and there is no stipulation on any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.
4. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations
5. The Identified Date for this Open Offer as per the schedule of activities is Tuesday, June 26, 2018.
6. The marketable lot for the Equity Shares for the purpose of this Open Offer shall be 1 (one).
7. The instructions and provisions contained in the Form of Acceptance constitute an integral part of the terms of this Open Offer.
8. Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the Public Shareholders of the Target Company may be prohibited from transferring the Equity Shares

during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Open Offer. The Letter of Open Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

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

## **B. Eligibility for accepting the Open Offer**

1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.
2. All Public Shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Open Offer at any time before the closure of the Tendering Period are eligible (subject to section C of part VI (*Statutory and other Approvals*) below) to participate in this Open Offer.
3. The Public Announcement, the Detailed Public Statement, the Draft Letter of Offer, the Letter of Offer and the Form of Acceptance for physical shareholders will also be available on SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance from SEBI's website.
4. The acceptance of this Open Offer by Public Shareholders must be absolute and unqualified. Any acceptance of this Open Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
5. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.
6. By accepting this offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirer for the purpose of this Open Offer.
7. None of the Acquirer and the PACs, the Manager or the Registrar to the Open Offer accepts any responsibility for any loss of equity share certificates, Open Offer Acceptance Forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
8. The acceptance of Equity Shares tendered in the Open Offer will be made by the Acquirer in consultation with the Manager.
9. The Acquirer reserve the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 3 (three) Working Days prior to the commencement of the Tendering Period, i.e., up to Wednesday, July 4, 2018, in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer would pay such revised price for all the Shares validly tendered at any time during the Open Offer and accepted under the Offer in accordance with the terms of the Letter of Offer.
10. The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Open Offer.
11. **Locked in Equity Shares:** The locked-in Equity Shares, if any acquired pursuant to the agreement or offer can be transferred to the Acquirers, subject to the continuation of the residual lock-in period in the hands of the Acquirers. The Manager to ensure that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.

## **C. Statutory and Other approvals**

1. To the best of the knowledge of the Acquirer and the PACs, there are no statutory or other approvals required to complete the acquisition under the Inter-se Agreement and the Open Offer as on the date of this Draft Letter of Offer, except as set out below. If, however, any statutory or other approval becomes

applicable prior to completion of the Open Offer, the Open Offer would also be subject to such other statutory or other approval(s) being obtained.

2. This Open Offer and the Underlying Transaction are subject to the receipt of the approval from the RBI in relation to the transactions contemplated under the Inter-se Agreement and other transaction documents (which condition is outside the reasonable control of the Acquirer and the PACs).
3. The transaction contemplated under the Inter-se Agreement involves acquisition of control of the Target Company. In order for the aforesaid transaction to be completed, prior approval of the RBI will have to be obtained by the Target Company, pursuant to the provisions of the Reserve Bank of India Circular - RBI/2015-16/122 DNBR (PD) CC. No. 065/03.10.001/2015-16 dated July 9, 2015. The Target Company will make an application with the RBI for the same.
4. All Public Shareholders of the Target Company who are either Non-Resident Indian (the “NRIs”) or Overseas Corporate Bodies (the “OCBs”) are subject to approval/exemption, if applicable, from the RBI. NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Open Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, QFIs and FIIs) had required any approvals (including from the RBI) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Open Offer, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and/or the PACs reserve the right to reject such Equity Shares tendered in this Open Offer.
5. In case of delay in receipt of any statutory approval to be obtained by the Acquirer and/or the PACs, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer and/or the PACs to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer and/or the PACs to delay the commencement of the tendering period for the Open Offer pending receipt of such statutory approval(s) or grant an extension of time to the Acquirer to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Open Offer. Where any statutory extends to some but not all of the Public Shareholders, the Acquirer and/or the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
6. Pursuant to Regulation 23 of the SEBI (SAST) Regulations, the Acquirer and/or the PACs have the right to withdraw the Open Offer if any statutory approvals, disclosed in this Draft Letter of Offer, which are required for the completion of the Open Offer having been finally refused.
7. There are no conditions as stipulated in the Inter-se Agreement, the meeting of which would be outside the reasonable control of the Acquirer, and in view of which the Open Offer might be withdrawn under Regulation 23(1) of the SEBI (SAST) Regulations, 2011, save and except for approvals required as stated above in paragraph 2 and 3 in this section.

## **VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OPEN OFFER**

1. The Open Offer will be implemented by the Acquirer and the PACs through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016.
2. BSE shall be the Designated Stock Exchange for the purpose of tendering Shares in the Open Offer.
3. 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 window.
4. The Acquirer have appointed IDFC Securities Limited (“**Buying Broker**”) for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the tendering period.
5. The Contact details of the Buying Broker are as mentioned below:

**IDFC Securities Limited**

**Address:** 6th Floor, One IndiaBulls Centre, Tower 1C, 841, Jupiter Mills Compound, Senapati Bapat Marg, Elphinstone, Mumbai – 400013.

**Contact Person:** Mr. Amit Gangnaik Tel No.: +91 22 4202 2585

**Email Id:** idfsec.ie@idfc.com

6. All Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (“**Selling Broker(s)**”), during the normal trading hours of the secondary market during the Tendering Period.
7. Separate Acquisition Window will be provided by the Stock Exchange to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Shares as well as physical Shares.
8. During the Tendering Period, the tender of the Equity Shares by the Public Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
9. Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
10. Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant).
11. In the event Seller Broker(s) are not registered with BSE or 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 Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Shareholder may approach Company's Broker viz. IDFC Securities Limited, to bid by using quick UCC facility. The Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

**In case of Shareholder being an individual**

If Shareholder is registered with KYC Registration Agency (“**KRA**”): Forms required:

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

If Shareholder is not registered with KRA: Forms required:

- CKYC form including FATCA, IPV, OSV if applicable
- KRA form
- KYC form Documents required (all documents self-attested):
  - ✓ PAN card copy
  - ✓ Address proof
  - ✓ Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Shareholder is HUF:**

**If Shareholder is registered with KYC Registration Agency (“KRA”): Forms required:**

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

**If Shareholder is not registered with KRA: Forms required:**

- CKYC form of KARTA including FATCA, IPV, OSV if applicable
  - KRA form
  - Know Your Client (KYC) form Documents required (all documents self-attested):
    - ✓ PAN card copy of HUF & KARTA
    - ✓ Address proof of HUF & KARTA
    - ✓ HUF declaration
    - ✓ Bank details (cancelled cheque)
  - Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Shareholder other than Individual and HUF:**

**If Shareholder is KRA registered: Form required**

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

**If Shareholder is not KRA registered: Forms required:**

- KRA form
- Know Your Client (KYC) form Documents required (all documents certified true copy):
  - ✓ PAN card copy of company/ firm/trust
  - ✓ Address proof of company/ firm/trust
  - ✓ Bank details (cancelled cheque)

- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies & address proof of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- MOA/Partnership deed /trust deed

Additionally, registered Public Shareholders holding Equity Shares in physical form must also provide the documents mentioned in paragraph 11 of part VII.

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

**12. Procedure for tendering Equity Shares held in Dematerialised Form:**

- a) The Public Shareholders who are holding Equity Shares in electronic/ dematerialised form and who desire to tender their Equity Shares under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period
- b) 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 BSE. Before placing the order/bid, the 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 BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- c) Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Public Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- d) Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
- e) For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than time provided by the Stock Exchange on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- f) The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Open Offer.
- g) The Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Open Offer.
- h) The cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

**13. Procedure for tendering the Equity Shares held in physical form:**

- a) The Public Shareholders holding physical shares and who wish to tender their Equity Shares in this Open Offer shall approach the relevant Selling Broker and submit the following set of documents for verification:
  - (i) Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target;
  - (ii) Original share certificate(s);
  - (iii) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target and duly witnessed at the appropriate place;
  - (iv) Self-attested PAN Card copy (in case of joint holders, PAN card copy of all transferors);
  - (v) Any other relevant document such as powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s)); and
  - (vi) Self-attested copy of proof of address such as valid Aadhar card, voter ID, passport or driving license.
- b) The Selling Broker(s) should place bids on the exchange platform including the relevant details as specified on the physical share certificate(s). The Selling Broker (s) shall print the TRS generated by the exchange bidding system. The TRS will contain the details of order submitted such as Folio No., Certificate No., Dist. Nos. and number of Equity Shares etc.
- c) The Selling Broker(s)/Public Shareholder must deliver the share certificates relating to its Equity Shares and other documentation listed in paragraph (a) above along with the TRS to the Registrar i.e. Link Intime India Private Limited at the address mentioned on the cover page. The envelope should be superscribed “**Tourism Finance Corporation of India Limited Open Offer**”. Share certificates for physical shares must reach the Registrar within 2 (two) days of bidding by the Selling Broker.
- d) The Public Shareholders holding physical shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph (a) above are submitted. Acceptance of the physical shares in this Open Offer shall be subject to verification by the Registrar. On receipt of the confirmation from the Registrar, the bid will be accepted or rejected (as applicable) and accordingly depicted on the exchange platform.
- e) In case any person has submitted physical shares for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Open Offer by or before the closure of the Tendering Period.

**The Public Shareholders holding Shares in Demat mode are not required to fill any Form of Acceptance. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance. Public Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptances along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance. Form of Acceptance will not be sent to the Public Shareholders holding Equity Shares in Demat mode.**

#### 14. Acceptance of Shares

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

In the event that the number of Equity Shares (including demat shares, physical) validly tendered by the Public Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares

from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

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

- a) The Public Shareholders who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired the Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer.
- b) A Public Shareholder may participate in the Open Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Form of Acceptance.
- c) The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Open Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company
- d) The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and shareholders can also apply by downloading such forms from the said website.
- e) Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the Open 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 as mentioned in paragraphs 9 and 10 or 11 above along with Form SH 4 (in case of Equity Shares being held in physical form). Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Open Offer.

16. **Settlement Process**

- a) On closure of the Open Offer, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Open Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- b) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- c) For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- d) In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.
- e) The Public Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Open Offer.
- f) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Public Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity



Shares accepted by the Company are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form.

- g) Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Open Offer. If Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Public Shareholder.
- h) Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- i) Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker, which will be, post settlement of funds/payment consideration, will be transferred to respective accounts of Acquirer and PACs, in terms of Inter-se Agreement.
- j) Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Shareholder(s) directly by Registrar to the Open Offer.
- k) In case of partial or non-acceptance of orders the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
- l) Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Open Offer.

#### **17. Settlement of Funds / Payment Consideration**

- a) The Buying Broker will transfer the funds pertaining to the Open Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- b) For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Public Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- c) The payment will be made by the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Public Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.
- d) The funds received from the Buyer Broker by the Clearing Corporation will be released to the Public Shareholder / Selling Broker (s) as per secondary market pay out mechanism.
- e) Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

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

## 18. **Note on taxation**

### 1. **Taxability of Capital Gain in the hands of the Public Shareholder**

- 1.1 As per the provisions of the Income Tax Act, 1961 (“**Income Tax Act**”), capital gains arising from the sale / transfer of equity shares in an Indian company are generally taxable in India.

Gain in excess of Rs. 1,00,000 realized on the sale / transfer, anytime from 1.4.2018 onwards, of listed equity shares, held for more than 12 months, on a recognized stock exchange, will be liable to Long Term Capital Gains tax in India @ 10% (without indexation), if Securities Transaction Tax (“STT”) is paid on the sale transaction.

The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.

Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG taxable under the newly introduced section 112A of the Income Tax Act, 1961.

- 1.2 Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less, which is sold, will be subject to Short Term Capital Gains tax @ 15 %.
- 1.3 Taxability of capital gain arising to a non-resident in India from the sale of equity shares shall be determined basis the provisions of the Income Tax Act or the Double Taxation Avoidance Agreement entered between India and country of which the non-resident seller is resident, subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule (“GAAR”) and providing and maintaining necessary information and documents as prescribed under the Income Tax Act .

### 2. **Business Income**

Under current Indian tax laws and regulations, income arising from the sale of equity shares in an Indian company may be taxable in India as income from business, depending on the Public Shareholder.

### 3. **Tax deduction at source**

- 3.1 In case of resident Public Shareholders – the Acquirer and/ or the PAC shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Open Offer. Such resident Public Shareholder will be liable to pay tax on their income as per the provisions of the Act as applicable to them.
- 3.2 In case of non-resident Public Shareholders, other than Foreign Portfolio Investor, the responsibility of discharge of the tax due on the gains (if any) is on the Seller Broker / custodians / non-resident shareholder since the tendering of shares under the Open Offer is through the Recognised Stock Exchanges in India,
- 3.3 In the case of Foreign Portfolio Investor, Section 196D of the Income Tax Act provides for specific exemption from withholding tax in case of capital gains arising in hands of Foreign Portfolio Investor. Thus, no withholding of tax is required in case of consideration payable to Foreign Portfolio Investor.

- 3.4 In case of interest payments, if any, by the Acquirer and/ or the PAC for delay in payment of Open Offer consideration or a part thereof, the Acquirer and/ or the PAC will deduct taxes at source at the applicable rates under the Income Tax Act.
4. **Others**
- 4.1 Notwithstanding the details given above, all payments will be made to Public Shareholders subject to compliance with prevailing tax laws.
- 4.2 The tax deducted by the Acquirer and / or the PAC while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income tax authorities.
- 4.3 As per the provisions of the Finance Act, 2018, in addition to the basic tax rate, surcharge, health and education cess are leviable.
- 4.4 The Acquirer and / or the PAC and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

**PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OPEN OFFER THROUGH TENDER OPEN OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER OR THE PAC DOES NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OPEN OFFER.**

#### **VIII. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection by the Public Shareholders at the office of the Manager at Naman Chambers, C-32, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, between 10:30 a.m. and 3:00 p.m. on any Working Day (except Saturdays and Sundays) during the Tendering Period.

1. Certified copies of the Memorandum and Articles of Association and certificate of incorporation of the Acquirer and PAC 1;
2. Certificates by N.H. Shah & Associates, Chartered Accountants (Firm Registration No. 131570W), stating the net worth of the PAC 2;
3. Certificate dated May 18, 2018 from Meghal Jain & Associates, Chartered Accountants (FRN: 133824W) certified that the Acquirer and PACs have adequate and firm financial resources through verifiable means to fulfill their obligations under this Open Offer.
4. Audited Financial statements of Acquirer for the three financial years ending on March 31, 2015, 2016 and 2017 and interim reviewed financial information for nine months ended December 31, 2017.
5. Audited Financial statements of PAC 1 for the three financial years ending on December 31, 2015, 2016 and 2017.
6. Annual reports and financial statements of the Target Company for the three financial years ending on March 31, 2015, 2016 and 2017 and audited financial results for the nine month period ended December 31, 2017.
7. The Escrow Agreement between the Acquirers, the Manager and the Escrow Bank.
8. Letter dated May 24, 2018 from the Escrow Bank confirming the receipt of the cash deposit in the Escrow Account;
9. Certified true copy of the Inter-se Agreement;
10. Copy of the Public Announcement submitted to the Stock Exchanges on May 18, 2018 and SEBI on May 18, 2018;
11. Copy of the Detailed Public Statement published by the Manager on behalf of the Acquirers and the PACs on May 25, 2018;

12. Published copy of the recommendation to be made by the committee of the independent directors of the Target Company in relation to the Open Offer; and
13. SEBI observation letter no. [●] dated [●] on the Draft Letter of Offer.

**IX. DECLARATION BY THE ACQUIRER AND THE PACs**

1. The Acquirer and the PACs and their respective directors accept full responsibility for the information contained in the DLOF including the Form of Acceptance-cum-Acknowledgement (other than such information as has been obtained from public sources or provided or relating to and confirmed by the Target Company). For the purposes of the disclosures pertaining to the Target Company contained in the DLOF, the Acquirer and the PACs have relied on the information available from public sources or provided by the Target Company, as the case may be, and the same has not been independently verified by the Acquirer or the PACs.
2. The Acquirer and the PACs shall be jointly and severally responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Open Offer.
3. The persons signing this DLOF on behalf of the Acquirer and PAC1 have been duly and legally authorized by the respective boards of directors to sign this DLOF.

**For and on behalf of the Acquirer and the PACs**

<b>REDKITE CAPITAL PRIVATE LIMITED</b>	<b>INDIA OPPORTUNITIES III PTE. LIMITED</b>	<b>MR. KOPPARA SAJEEVE THOMAS</b>
Sd/-	Sd/-	Sd/-

**Place:** Mumbai

**Date:** June 1, 2018

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

*(All non-resident Public Shareholders (holding physical and/or demat shares) and resident Public Shareholders holding physical shares are mandatorily required to fill this form of acceptance-cum-acknowledgement (“Form of Acceptance”). The non-resident Public Shareholders holding demat shares are required to send this form with enclosures to the Registrar to the Open Offer at their address stated overleaf/in the LoF. The Public Shareholders holding physical shares (resident and non-resident) are required to send this Form along with the enclosures to their respective broker/Seller Member.)*

*(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)*

(Only Public Shareholders holding Equity Shares in a physical form to send this Form with TRS generated by broker/Seller Member and enclosures to the Registrar to the Open Offer – Link Intime India Private Limited, at their registered office address provided in the Letter of Offer)

To,

**The Acquirer and the PACs**

C/o Link Intime India Private Limited  
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai 400 083, Maharashtra, India  
Tel Nos.: +91 22 49186200

**TENDERING PERIOD FOR THIS OFFER**

<b>OFFER OPENS ON</b>	<b>Tuesday, July 10, 2018</b>
<b>OFFER CLOSSES ON</b>	<b>Monday, July 23, 2018</b>

Dear Sir,

**Sub: Open offer for acquisition of up to 20,986,355 (two crore nine lakh eighty six thousand three hundred and fifty five) fully paid up equity shares of face value of INR 10 each (“Equity Shares”) representing 26% of the total fully paid up equity share capital (“Offer Shares”) of Tourism Finance Corporation of India Limited (“Target Company”) on a fully diluted voting share capital basis, as of the 10th working day from the closure of the tendering period (“Voting Share Capital”), from the Public Shareholders of the Target Company by Redkite Capital Private Limited (“Acquirer”) along with India Opportunities III Pte. Limited (“PAC 1”) and Mr. Koppara Sajeev Thomas (“PAC 2”) (PAC 1 and PAC 2 are collectively referred to as “PACs”) as the persons acting in concert with the Acquirer (“Open Offer”).**

I / We refer to the Letter of Offer dated [●] for acquiring the Equity Shares held by me / us in Tourism Finance Corporation of India Limited.

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

<b>Name (in BLOCK LETTERS)</b>	<b>Holder</b>	<b>Name of the Shareholder(s)</b>	<b>Permanent Account Number (PAN)</b>
(Please write names of the joint holders in the same order as appearing in the Equity Share certificate(s) / demat account)	Sole / First		
	Second		
	Third		
<b>Contact Number(s) of the First Holder</b>	<b>Tel No. (With STD Code); Fax No. (with STD Code):</b>		<b>Mobile No.:</b>
<b>Full Address of the First Holder (with pin code)</b>			
<b>Email address of First Holder</b>			
<b>Date and Place of incorporation (if applicable)</b>			

I / We, the undersigned, have read the Public Announcement, the Detailed Public Statement, and this Draft Letter of Offer and understood its contents, terms and conditions, and unconditionally accept it.

**FOR EQUITY SHARES HELD IN PHYSICAL MODE**

I/We, confirm that our residential status under the Income Tax Act, 1961 is (tick box whichever is applicable)

- Resident
- Non-resident

I / We, holding Physical Shares, accept this Open Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our Equity Shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
1.					
2.					
3.					
<i>(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)</i>				<b>TOTAL</b>	

**FOR ALL PUBLIC SHAREHOLDERS (HOLDING BOTH DEMAT SHARES AND PHYSICAL SHARES)**

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Open Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares in this Open Offer and that I/we am/are legally entitled to tender the Equity Shares in this Open Offer.

I/We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Open Offer have been enclosed herewith.

I / We confirm that I / We are not persons acting in concert with the Acquire or the PACs.

I / We also note and understand that the obligation on the Acquirer and the PACs to pay the purchase consideration (i.e. the Offer Price) arises only after verification of the certification, documents and signatures submitted along with this Form. I / We undertake to return to the Acquirer and the PACs any purchase consideration wrongfully received by me / us.

I / We give my/our consent to the Acquirer and the PACs to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Open Offer. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer and the PACs to effectuate this Open Offer in accordance with the SEBI (SAST) Regulations.

I / We are / am not debarred from dealing in Equity Shares.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961 including but not limited to section 281 of the Income Tax Act, 1961.

I / We note and understand that the Equity Shares/ original share certificate(s) and the transfer deed(s) will be held by the Registrar to the Open Offer/ Clearing Corporation in trust for me / us till the date the Acquirer and the PACs make payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), transfer deed(s) and other documents are dispatched to the Public Shareholders, as the case may be.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us , or as a result of income tax ( including any consequent interest and penalty) on the capital gains arising from tendering of the Equity Shares, I / we will indemnify the Acquirer and PACs for such income tax demand (including interest, penalty, etc.) and provide the Acquirer and the PACs with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the Equity Shares would lie with the Clearing Corporation until the time the Acquirer and the PACs make payment of purchase consideration as mentioned in the Letter of Offer. I / We authorise the Acquirer and the PACs to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirer and the PACs may decide to accept in consultation with the Manager to and the Registrar to the Open Offer and in terms of the Letter of Offer. I / we further authorize the Acquirer and the PACs to return to me / us, share certificate(s) in respect of which this Open Offer is not found valid / not accepted without specifying the reasons thereof.

**FOR NRIs/ OCBs/ FIIs AND SUB-ACCOUNTS/ OTHER NON-RESIDENT SHAREHOLDERS**

I/We, confirm that my/ our residential status is (tick box whichever is applicable)

<input type="checkbox"/> Individual	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> FPI - Corporate	<input type="checkbox"/> FPI - Others	<input type="checkbox"/> FVCI
<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Private Equity Fund	<input type="checkbox"/> Pension/Provident	<input type="checkbox"/> Sovereign Wealth	<input type="checkbox"/> Partnership/

		Fund	Fund	Proprietorship firm
<input type="checkbox"/> Financial Institution	<input type="checkbox"/> NRIs/PIOs repatriable	- <input type="checkbox"/> NRIs/PIOs repatriable	- non- <input type="checkbox"/> OCB	<input type="checkbox"/> QFI
<input type="checkbox"/> Others – please specify:				

I/We, confirm that my/ our investment status is (tick box whichever is applicable)

- FDI Route  
 PIS Route  
 Any other – please specify \_\_\_\_\_

I/We, confirm that the Equity Shares tendered by me/us are held on (tick box whichever is applicable)

- Repatriable basis  
 Non-repatriable basis

I/We, confirm that (tick box whichever is applicable)

- No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Open Offer and the Equity Shares are held under general permission of the RBI  
 Copies of all approvals required by me for holding Equity Shares that have been tendered in this Open Offer are enclosed herewith  
 Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We confirm that (tick box whichever is applicable)

- No RBI, FIPB or other regulatory approval is required by me for tendering the Equity Shares in this Open Offer  
 Copies of all approvals required by me for tendering Equity Shares in this Open Offer are enclosed herewith

#### BANK DETAILS

So as to avoid fraudulent encashment in transit, the Public Shareholder(s) holding Physical Shares should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank	
Branch	
Account Number	
IFSC code	
MICR code	
Savings/Current/(Others please specify)	

In case of Public Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depositories.

In case of interest payments, if any, by the Acquirer and the PACs for delay in payment of Open Offer consideration or a part thereof, the Acquirer and the PACs will deduct taxes at source at the applicable rates as per the Income Tax Act. For details please refer to instruction no. 19 given overleaf.

Yours faithfully,

Signed and Delivered:	Full Name	PAN	Signature
<b>First / Sole Holder</b>			
<b>Joint Holder 1</b>			
<b>Joint Holder 2</b>			
<b>Joint Holder 3</b>			

**Note:** In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary board resolutions should be attached.

Place: \_\_\_\_\_

Date: \_\_\_\_\_

## **INSTRUCTIONS**

**PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRERS, PACs, THE TARGET COMPANY OR THE MANAGER**

1. This Form should be filled in English.
2. All queries pertaining to this Open Offer may be directed to the Registrar to the Open Offer.
3. In case of Equity Shares held in joint names, names should be filled in the same order in this Form and in the share transfer deed(s), as the order in which they hold the Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Open Offer.
4. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.
5. All Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
6. All documents/remittances sent by or to the Public Shareholders will be at their own risk. Public
7. Shareholders are advised to adequately safeguard their interests in this regard.
8. The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Open Offer shall approach Selling Member and submit the following set of documents for verification procedure as mentioned below:
  - a) Original share certificate(s)
  - b) Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target), and duly witnessed at the appropriate place.
  - c) Self-attested copy of the Public Shareholder's PAN Card (in case of joint holders, the PAN card copy of all transferors)
  - d) This Form – for Public Shareholders holding Equity Shares in physical mode duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
  - e) A self-attested copy of the address proof consisting of any one of the following documents:  
valid Aadhar card, voter identity card, passport or driving license
  - f) Any other relevant document including (but not limited to) such as power of attorney, corporate authorization (including board resolution(s)/ specimen signature(s)), notarised copy/(ies) of death certificate(s) and succession certificate(s) or probated will(s), if the original shareholder is deceased, etc., as applicable. Public Shareholders holding Physical Shares should note that such Equity Shares will not be accepted unless the complete set of documents is submitted.
9. In case of unregistered owners of Equity Shares in physical mode, the Public Shareholder should provide: an additional valid share transfer deed(s) duly signed by the unregistered owner as transferor(s) by the sole/joint Public Shareholder(s) in the same order and duly witnessed at the appropriate place.

The transfer deed should be left blank, except for the signatures and witness details.



**PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED.**

10. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to issue the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank.
11. In case the share certificate(s) and the transfer deed(s) are lodged with the Target/its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgement with, or receipt by, the Target/its transfer agents, of the share certificate(s) and the transfer deed(s).
12. The Public Shareholder should ensure that the certificate(s) and above documents reach the Registrar within 2 (Two) days of the close of Tendering Period.
13. No indemnity regarding title is required from persons not registered as Public Shareholders.
14. The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Seller Member(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. The TRS will contain the details of order submitted including Folio No., Certificate No. Dist. Nos., number of Equity Shares, etc.;
15. The Seller Member shall deliver the Equity Shares and requested documentation along with the TRS to the Registrar do as to reach them within 2 days of bidding by the Seller Member. On receipt of the confirmation from RTA the bid will be accepted or else rejected (as applicable) and accordingly the same will be depicted on the exchange platform.
16. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.
17. Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:

Public Shareholders may participate in the Open Offer by confirming their consent to participate in this Open Offer on the terms and conditions of this Open Offer as set out in the PA, the DPS and this Letter of Offer. They can participate by submitting an application on plain paper giving details regarding their shareholding and relevant documents mentioned in paragraph 7 above. Public Shareholders must ensure that the Acceptance Form, along with the TRS and requisite documents (as mentioned in paragraph 7 above) should reach the Registrar of the Company within 2 days of the close of Tendering Period. If the signature(s) of the of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Target or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer.

Alternatively, such holders of Equity Shares may also apply on the form of acceptance- cum- acknowledgement in relation to this Open Offer, which may be obtained from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or from Registrar to the Open Offer.

18. The Acceptance of Shares, Settlement Process, Settlement of Funds / Payment Consideration and the Note on Taxation have been mentioned in the Letter of Offer under Section VII.

The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and shareholders can also apply by downloading such forms from the said website.

The Letter of Offer along with Form of Acceptance will be dispatched to all the Public Shareholders holding Physical Shares as on the Identified Date. In case of non-receipt of the Letter of Offer, such shareholders holding physical shares of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Open Offer on providing suitable documentary evidence of holding of the Equity Shares.

19. In order to avail Electronic Clearing Service ("ECS") for receipt of consideration, the attached ECS mandate form needs to be duly filled in and signed by the sole/first shareholder and submitted with this Form before the closure of the Open Offer.
20. Interest payment, if any: In case of interest payments by the Acquirer and the PACs for delay in payment of Open Offer consideration or a part thereof, the Acquirer and the PACs will deduct taxes at source at the applicable rates as per the Income Tax Act.

21. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Open Offer.

*For resident Public Shareholders:*

- Self-attested copy of PAN card
- Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
- Self-declaration in Form 15G / Form 15H (in duplicate), if applicable
- For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

*For non-resident Public Shareholders:*

- Self-attested copy of PAN card
- Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer and the PACs before remitting the amount of interest)
- Tax Residency Certificate and a no 'permanent establishment' / business connection declaration

In an event of non-submission of NOC or certificate for deduction of tax at nil/lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Public Shareholder belongs, by the Acquirer and the PACs.

**FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OPEN OFFER, PLEASE REFER TO THE LETTER OF OFFER**

**MANDATE FORM**

**ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)**

**The Acquirer and the PACs**

C/o Link Intime India Private Limited  
C-101, 1st Floor, 247 Park, L.B.S. Marg,  
Vikhroli (west), Mumbai – 400 083

Dear Sirs:

I am pleased to participate in the Electronic Clearing Services (ECS) introduced by Reserve Bank of India (RBI). The particulars of my bank account to which the payment of Open Offer consideration may be electronically credited are as follows:

1. Name of Sole/First Holder of Shares
2. Folio No.
3. Name of the Bank
4. Branch address of Bank to which consideration \_\_\_\_\_  
Amount to be credited
5. 9-digit MICR Code Number of the Bank and Branch appearing on the MICR cheque issued by your  
Bank. (This is mentioned on the MICR band next to the cheque number.)

**(Please attach blank “cancelled” cheque or a Xerox copy thereof).**

6. Account Type (tick one) Credit                       Savings               Current               Cash
7. Ledger Folio of your Bank Account  
(If any, appearing on your cheque book)
8. Account No. (as appearing on your cheque \_\_\_\_\_  
book)

**I hereby declare that the particulars given above are correct and complete. If the payment of Open Offer consideration is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Target responsible.**

**Date:** \_\_\_\_\_

.....  
Signature of Sole/First Holder

In case the Public Shareholder is not in a position to give blank “cancelled” cheque or a Xerox copy of the, a certificate of the Public Shareholder’s bank may be furnished as under:

**Certificate of the Public Shareholder’s Bank**

(To be submitted only if blank “cancelled” cheque or a Xerox copy thereof is not enclosed)

Certified that the particulars furnished above are correct as per our records.

Bank’s Stamp: \_\_\_\_\_

**Date:**

.....  
**Signature of the Authorized Official of the Bank**

**Form No. SH-4 - Securities Transfer Form**

[Pursuant to Section 56 of the Companies Act, 2013 and sub-rule (1) of Rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of execution: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

**FOR THE CONSIDERATION** stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN: 

L	6	5	9	1	0	D	L	1	9	8	9	P	L	C	0	3	4	8	1	2
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**Name of the company (in full):** Tourism Finance Corporation of India Limited

**Name of the Stock Exchange where the company is listed, (if any):** BSE Limited and National Stock Exchange of India Limited

**DESCRIPTION OF SECURITIES**

Kind/Class of securities (1)	Nominal value of each unit of security (2)	Amount called up Per unit of security (3)	Amount paid up per unit of security (4)
Equity Share	Rs. 10/-	Rs. 10/-	Rs. 10/-

No. of Securities being Transferred			Consideration received (Rs.)		
In Figures	In words		In words		In Figures
<b>Distinctive Number</b>	<b>From</b>				
	<b>To</b>				
<b>Corresponding Certificate Nos.</b>					

**Transferor’s Particulars**

**Registered Folio Number**

<b>Name(s) in Full</b>	<b>Signature(s)</b>
1. _____	_____
2. _____	_____
3. _____	_____

I hereby confirm that the transferor has signed before me.

**Signature of the Witness** : \_\_\_\_\_

**Name of the Witness** : \_\_\_\_\_

**Address of the Witness** : \_\_\_\_\_

\_\_\_\_\_  
Pin Code \_\_\_\_\_

**Transferee's Particulars**

<b>Name in full (1)</b>	<b>Father's/Mother's /Spouse Name (2)</b>	<b>Address &amp; E-mail id (3)</b>
1. _____	1. _____	_____
2. _____	2. _____	_____
3. _____	3. _____	_____ Pin Code _____
		Email Id: _____

<b>Occupation (4)</b>	<b>Existing Folio No., if any (5)</b>	<b>Signature (6)</b>
1. _____	_____	1. _____
2. _____	_____	2. _____
3. _____	_____	3. _____

<b>Folio No. of Transferee</b>	<b>Specimen Signature of Transferee(s)</b>
_____	1. _____
	2. _____
	3. _____

**Value of stamp affixed: Rs.** \_\_\_\_\_

**Enclosures:**

1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify, \_\_\_\_\_

**STAMPS**

**For Office Use Only**

**Checked by** \_\_\_\_\_

**Signature Tallied by** \_\_\_\_\_

**Entered in the Register of Transfer on** \_\_\_\_\_

\_\_\_\_\_ **vide Transfer no** \_\_\_\_\_

**Approval Date** \_\_\_\_\_

**Power of attorney / Probate / Death Certificate / Letter of Administration**

**Registered on** \_\_\_\_\_ **at**

**No** \_\_\_\_\_