

DRAFT LETTER OF OFFER

'This Document is important and requires your immediate attention'

This Draft Letter of Offer is sent to you as a Public Shareholder(s) of **INTELLIVATE CAPITAL ADVISORS LIMITED**. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Draft Letter of Offer to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER BY			
Name	Address	Contact No.	Email Id
Satyanarayana Reddy Garlapati ('Acquirer 1')	Flat No. 404, Sai Santhoshi Residency, 12-13-677/52, Street No. 1, Tarnaka, Hyderabad – 500 017, Telangana, India	09848025754	gsnreddy2003@gmail.com
Sukumar Reddy Garlapati ('Acquirer 2')	Flat No. 101,12-13-484/4 & 5, Poulomi Bride, Road No. 1, Tarnaka, Hyderabad – 500 017, Telangana, India	040-27847979	sukumar@sumathi.in
Sumathi Infratech Private Limited ('Acquirer 3')	Plot No.8, Durga Nagar Colony, Punjagutta, Hyderabad – 500 082, Telangana, India	040-27847979	info@sumathiinfra.in

(Hereinafter referred to as 'The Acquirers')

To the existing Public Shareholders of **INTELLIVATE CAPITAL ADVISORS LIMITED**

(Hereinafter referred to as 'ICAL' or the 'Target Company')

(CIN: L67190MH2011PLC214318)

Registered Office: 1104, A Wing, Naman Midtown 11th Floor Senapati Bapat Marg, Prabhadevi Mumbai – 400 013, Maharashtra, India

Tel No.: (022) 2439 1933; **Fax No.:** (022) 2403 1691;

Website: www.intellivatecapitaladvisors.in ; **E-mail:** secretarial@intellivatecapital.com

For the acquisition of up to 96,26,991 (Ninety- Six Lakhs Twenty- Six Thousand Nine Hundred Ninety- One) fully paid-up Equity Shares of Re.1.00/- each representing 31.00% of total equity and voting share capital of the Target Company, at a price of Re. 1.70/- (Rupee One and Seventy Paise only) per equity share (the 'Offer Price') payable in cash ('Offer' or 'Open Offer').

Please Note:

1. This Offer is being made by the Acquirers pursuant to regulation 3(1) & (4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ('SEBI (SAST) Regulations') for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.
2. As on the date of this Draft Letter of Offer, there are no other statutory approvals are required to acquire the equity shares that are validly tendered pursuant to this Offer. If any statutory approval becomes applicable prior to the completion of the Offer, this Offer would also be subject to such other statutory approval(s). For more details regarding the statutory and other approvals for the Offer, please see para 6.8.1 (Statutory approvals and conditions of the Offer) at page 18 of this Draft Letter of Offer.
3. If there is any upward revision in the Offer Price/Size at any time up to one (1) working day prior to commencement of the tendering period viz. August 05, 2021, in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement had appeared. If the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement had appeared.
4. This is not a **competitive offer as per Regulation 20 of the SEBI (SAST) Regulations.**
5. **If there is a competitive bid, then the Open Offer under all subsisting bids shall open and close on the same date.**
6. Public Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement/Draft Letter of Offer/Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
7. The Offer is not subject to a minimum level of acceptance by the Public Shareholders of ICAL and is not a conditional offer.
8. The procedure for acceptance is set out in Para 7 of this Draft Letter of Offer.
9. The Public Announcement, Detailed Public Statement and Letter of Offer would also be available on website of SEBI at (www.sebi.gov.in).

 Teaming together to create value	
MANAGER TO THE OFFER CAPITALSQUARE ADVISORS PRIVATE LIMITED SEBI REGN NO: INM000012219 Contact Person: Mr. Tanmoy Banerjee 208, 2nd Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai – 400 093, Maharashtra, India Phone No: +91-22-6684 9999/9874283532 Email: tanmoy.banerjee@capitalsquare.in / mb@capitalsquare.in Website: www.capitalsquare.in	REGISTRAR TO THE OFFER PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED SEBI REGN. NO. INR000001112 Contact Person: Ms. Deepali Dhuri Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai – 400 011, Maharashtra, India Phone No: +91-22-2301 2518 / 8261 E-mail: support@purvashare.com Website: www.purvashare.com
OFFER OPENS ON: FRIDAY, AUGUST 06, 2021	OFFER CLOSES ON: MONDAY, AUGUST 23, 2021

TENTATIVE SCHEDULE OF ACTIVITY RELATING TO THE OFFER

Activities	Date	Day
Date of the PA	June 15, 2021	Tuesday
Last Publication of Detailed Public Statement in newspapers	June 22, 2021	Tuesday
Last date of filing of the Draft Letter of Offer with the SEBI	June 29, 2021	Tuesday
Last date of Public Announcement for Competing Offer	July 13, 2021	Tuesday
Last Date for receiving comments from SEBI on the Draft Letter of Offer (In the event SEBI has not sort clarification or additional information from the Manager to the Offer)	July 20, 2021	Tuesday
Identified Date*	July 23, 2021	Friday
Last Date by which Letter of Offer will be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	July 30, 2021	Friday
Last Date by which committee of the Independent Directors of the Target Company shall give its recommendation to the Public Shareholders of the Target Company for this Offer	August 04, 2021	Wednesday
Last date for revising the Offer Price / Offer Size	August 05, 2021	Thursday
Offer Opening Public Announcement	August 05, 2021	Thursday
Date of commencement of tendering period (Open Date)	August 06, 2021	Friday
Date of closing of tendering period (Close Date)	August 23, 2021	Monday
Date by which all requirements including payment of consideration would be completed	September 06, 2021	Monday

Note: Schedule of Activity may be changed as the offer is subject to getting requisite approval from SEBI

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

**Identified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirers and the parties to the SPA) are eligible to participate in the Offer any time before the Closure of the Offer.*

RISK FACTORS:

A. Relating to the Underlying transaction

1. The Underlying Transaction is subject to various conditions as specified under the Share Purchase Agreement, including: (a) receipt of all statutory approvals as set out in para 'Statutory Approvals and conditions of the Offer' at page 18 of this Draft Letter of Offer and those which become applicable prior to the completion of this Open Offer; (b) the satisfaction or waiver of the various conditions under the Share Purchase Agreement, including those conditions set out this Draft Letter of Offer, and if these conditions are not satisfied or waived and subsequently terminated in accordance with the terms of the Share Purchase Agreement, then the Underlying Transaction may be terminated.
2. The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

B. Risks relating to this Open Offer

1. This Open Offer is a mandatory open offer to acquire up to 31.00% of the total Equity and Voting Share Capital of the Target Company from the Public Shareholders. In the case of oversubscription in this Open Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis, and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in this Open Offer will be accepted.
2. To the best of knowledge and belief of the Acquirers, there are no other statutory approvals required for this Open Offer. However, if any other statutory approvals are required prior to completion of this Open Offer, this Open Offer would be subject to the receipt of such other statutory approvals that may become applicable later.
3. In the event that either (a) regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Open Offer, or (c) SEBI instructs the Acquirers not to proceed with the Open Offer, then this Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of the Target Company whose Equity Shares have been accepted in the Open Offer as well as the return of Equity Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of this Open Offer subject to the Acquirers paying interest to the public shareholders for the delay beyond 10th (Tenth) Working Day from the date of Closure of Tendering Period, as may be specified by SEBI.
4. Public Shareholders should note that the Equity Shares tendered by them and accepted in this Open Offer shall not be entitled to withdraw post-acceptance during the tendering period even if the acceptance of such Equity Shares under the

Open Offer and payment of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

5. This Open Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers. The Acquirers may not be able to proceed with the Open Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Open Offer.

C. Risks involved in associating with the Acquirers

1. The Acquirers intend to acquire upto 96,26,991 (Ninety-Six Lakhs Twenty-Six Thousand Nine Hundred and Ninety-One) fully paid-up Equity Shares of Re 1.00/- (Rupee One only) each representing 31.00% of total equity and voting share capital of the Target Company, at a price of Re. 1.70/- (Rupee One and Seventy Paise Only) per equity share, payable in cash under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer. The Equity Shares and documents tendered in the Open Offer will be held in trust by the Registrar to the Offer until the completion of the Open Offer formalities, and the public shareholders will not be able to trade such Equity Shares. Post this Open Offer, the Acquirers will have significant equity ownership & effective management control over the Target Company pursuant to Regulations 3(1) & 4 of the SEBI (SAST) Regulations.
2. The Acquirers make no assurance with respect to the market price of the Equity Shares during the Offer period and upon the completion of the Open Offer and disclaims any responsibility with respect to any decision by the public shareholders on whether to participate in the Open Offer. The Acquirers make no assurance with respect to the financial performance of the Target Company.
3. The Acquirers and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement, or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

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

CURRENCY OF PRESENTATION

- In this Draft Letter of Offer, all references to “₹ /Rs. / Rupees/ Re/ Rupee” are references to the official currency of India.
- In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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DEFINITIONS/ABBREVIATIONS

Acquirer 1	Satyanarayana Reddy Garlapati
Acquirer 2	Sukumar Reddy Garlapati
Acquirer 3	Sumathi Infratech Private Limited
Board	The Board of Directors of the Target Company
Book Value per Share	Net Worth/Number of shares
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Draft Letter of Offer	Draft Letter of Offer dated Wednesday, June 23, 2021 submitted to SEBI for its observations
DPS	Detailed Public Statement dated Thursday, June 17, 2021 and published on behalf of the Acquirers on June 18, 2021 in the newspapers mentioned in para 2.2.1 of this Draft Letter of Offer
ECS	Electronic Clearing Service
Escrow Banker	ICICI Bank Limited
Equity and voting share capital	Rs. 310.54 Lakh divided into 3,10,54,810 equity shares of Re.1.00/- each
Identified Date	Date for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer would be sent
INR/ Rs. / Rupees / Re.	Indian Rupees
IFSC	Indian Financial System Code
LoO	Letter of Offer
Manager to the Offer	CapitalSquare Advisors Private Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	From Tuesday, June 15, 2021 (i.e., date of entering Memorandum of Understanding between Acquirers and Manager to the Offer) to Monday, September 06, 2021 (i.e., date of Payment Consideration)
Offer Price	Re. 1.70/- (Rupee One and Seventy Paise only) per equity share payable in cash
Offer/Open Offer	Cash Offer being made by the Acquirers to acquire 96,26,991 equity shares of Re. 1.00/- each, representing 31.00% of the total equity and voting share capital at a price of Re. 1.70/- (Rupee One and Seventy Paise only) per equity share
PA	Public Announcement dated Tuesday, June 15, 2021
PAT	Profit After Tax
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of ICAL except the Acquirers and parties to the Share Purchase Agreement
RBI	Reserve Bank of India
Registrar to the Offer	Purva Sharegistry (India) Private Limited

Return on Net Worth	Profit After Tax/Net Worth
Sale Shares	1,36,53,940 equity shares of Re.1.00/- each at a price of Re. 1.70/- (Rupee One and Seventy Paise Only) per equity share forming part of the SPA
SEBI	Securities & Exchange Board of India
SEBI (SAST) Regulations/Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof
Sellers or Present Promoters	Leena Vipul Modi, Vipul Jayantilal Modi, Vipul Jayantilal Modi HUF, Chandrakanta Jayantilal Modi, Jimeet Vipul Modi, Miloni Vipul Modi, Jimeet Developers Private Limited, Rock Builders and Developers Private Limited, and Jinal Fin-Vest Private Limited
SPA or Share Purchase Agreement	Share Purchase Agreement dated Tuesday, June 15, 2021 entered between the Acquirers and the Sellers
Target Company / ICAL	Intellivate Capital Advisors Limited
Tender Period	Friday, August 06, 2021 to Monday, August 23, 2021

1. DISCLAIMER CLAUSE

‘IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE PUBLIC SHAREHOLDERS OF ICAL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR 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 ACQUIRERS IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER CAPITALSQUARE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 23, 2021 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 ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.’

2. DETAILS OF THE OFFER

2.1. Background of the Offer:

- 2.1.1 This Open Offer (**‘Offer’**) is being made by Satyanarayana Reddy Garlapati (**‘Acquirer 1’**), Sukumar Reddy Garlapati (**‘Acquirer 2’**), and Sumathi Infratech Private Limited (**‘Acquirer 3’**), (hereinafter collectively referred to as **‘Acquirers’**) in compliance with regulation 3(1) & 4 of the SEBI (SAST) Regulations, to the Public Shareholders of Intellivate Capital Advisors Limited (hereinafter referred to as **‘Target Company’** or **‘ICAL’**) a company incorporated and duly registered under the Companies Act, 1956 and having its registered office at 1104, A Wing, Naman Midtown 11th Floor Senapati Bapat Marg, Prabhadevi Mumbai – 400 013, Maharashtra, India. This Offer has been triggered upon the execution of the Share Purchase Agreement dated Tuesday, June 15, 2021 entered by and between being Leena Vipul Modi, Vipul Jayantilal Modi, Vipul Jayantilal Modi HUF, Chandrakanta Jayantilal Modi, Jimeet Vipul Modi, Miloni Vipul Modi, Jimeet Developers Private Limited, Rock Builders and Developers Private Limited, and Jinal Fin-Vest Private Limited (hereinafter collectively referred to as the **‘Sellers’**) and Satyanarayana Reddy Garlapati (**‘Acquirer 1’**), Sukumar Reddy Garlapati (**‘Acquirer 2’**), and Sumathi Infratech Private Limited (**‘Acquirer 3’**), (hereinafter collectively referred to as the **‘Acquirers’**).
- 2.1.2 The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 2.1.3 There is no person acting in concert (**‘PAC’**) with the Acquirers within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 2.1.4 The Acquirers are making an Open Offer to acquire 96,26,991 fully paid-up Equity Shares of Re.1.00/- each representing 31.00% of total equity and voting share capital of the Target Company, at a price of Re. 1.70/- (Rupee One and Seventy

Paise only) per equity share (the 'Offer Price') payable in cash, subject to the terms and conditions mentioned hereinafter.

- 2.1.5 The Acquirers have entered into a Share Purchase Agreement dated Tuesday, June 15, 2021, with the present Promoters of the Target Company viz, Leena Vipul Modi, Vipul Jayantilal Modi, Vipul Jayantilal Modi HUF, Chandrakanta Jayantilal Modi, Jimeet Vipul Modi, Miloni Vipul Modi, Jimeet Developers Private Limited, Rock Builders and Developers Private Limited, and Jinal Fin-Vest Private Limited. (Hereinafter collectively referred to as the 'Sellers') to acquire in aggregate 1,36,53,940 equity shares of Re. 1.00/- each representing 43.97% of the fully paid-up equity and voting share capital of the Target Company at a price of Re. 1.70/- per fully paid-up equity share payable in cash ('Negotiated Price') for a total consideration of Rs. 2,32,11,698/- (Rupees Two Crores Thirty- Two Lakhs Eleven Thousand Six Hundred and Ninety- Eight Only).

The details of the Sellers are as under:

Sl. No.	Name & Address of Seller	Nature	Part of the Promoter / Promoter Group (Yes/No)	Shares Holding of the Seller			
				Pre-Transaction		Post Transactions	
				No of Share	% to paid Equity Shares	No of Share	% to paid Equity Shares
1.	Leena Vipul Modi PAN: AABPM1418R Ramakunj, 4th Floor, 155A, Sir Bhatchandra Road, Near Khande Parkar Hospital, Hindu Colony, Dadar, Mumbai - 400 014, Maharashtra, India	Individual	Yes	84,75,550	27.29	Nil	Nil
2.	Vipul Jayantilal Modi PAN: AABPM1417A Ramakunj, 4th Floor, 155A, Sir Bhatchandra Road, Near Khande Parkar Hospital, Hindu Colony, Dadar, Mumbai - 400 014, Maharashtra, India	Individual	Yes	29,72,590	9.57	Nil	Nil
3.	Vipul Jayantilal Modi HUF PAN: AAAHV0890H Ramakunj, 4th Floor, 155A, Sir Bhatchandra Road, Near Khande Parkar Hospital, Hindu Colony, Dadar, Mumbai - 400 014, Maharashtra, India	HUF	Yes	14,77,300	4.76	Nil	Nil
4.	Chandrakanta Jyantilal Modi PAN: ADIPM8014B Ramakunj, 4th Floor, 155A, Sir Bhatchandra Road, Near Khande Parkar Hospital, Hindu Colony, Dadar, Mumbai - 400 014, Maharashtra, India	Individual	Yes	3,04,500	0.98	Nil	Nil
5.	Jimmet Vipul Modi PAN: AQXPM9261G 1201 Techno Heights, Plot No.155/a Sir Balachandra Road, Hindu Colony besides Khanderparkar hospital Dadar, Mumbai - 400 014, Maharashtra, India	Individual	Yes	1,06,000	0.34	Nil	Nil
6.	Miloni Vipul Modi PAN: AQDPM1373R Ramakunj, 4th Floor, 155A, Sir Bhatchandra Road, Near Khande Parkar Hospital, Hindu Colony, Dadar, Mumbai - 400 014, Maharashtra, India	Individual	Yes	1,000	Negligible	Nil	Nil

7.	Jimmet Developers Private Limited PAN: AAACJ2285K 1104, A Wing, Naman Midtown 11th Floor Senapati Bapat Marg, Prabhadevi Mumbai - 400 013, Maharashtra, India.	Company	Yes	1,06,000	0.34	Nil	Nil
8.	Rock Builders and Developers Private Limited PAN: AAACR5632A 1104, A Wing, Naman Midtown 11th Floor Senapati Bapat Marg, Prabhadevi Mumbai - 400 013, Maharashtra, India	Company	Yes	1,06,000	0.34	Nil	Nil
9.	Jinal Fin – Vest Private Limited PAN: AAACJ5582F 1104, A Wing, Naman Midtown 11th Floor Senapati Bapat Marg, Prabhadevi Mumbai - 400 013, Maharashtra, India	Company	Yes	1,05,000	0.34	Nil	Nil
TOTAL				1,36,53,940	43.97	Nil	Nil

2.1.6 Apart from as mentioned above 1,36,53,940 (One Crore Thirty- Six Lakhs Fifty- Three Thousand Nine Hundred and Forty) fully paid-up equity shares of ICAL which the Acquirers have proposed to acquire pursuant to SPA dated June 15, 2021 the Acquirers have not acquired any equity shares/voting rights of the Target Company during the fifty- two weeks (52) period immediately preceding the date of the PA.

2.1.7 The Manager to the Offer i.e., CapitalSquare Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of this Draft Letter of Offer. The Manager to the Offer further declared and undertakes that they shall not deal in the Equity Shares of the Target Company on their own account during the offer period.

2.1.8 The Offer is not a result of global acquisition resulting in indirect acquisition of ICAL.

2.1.9 The Salient features of the Share Purchase Agreement are as follows:

- a. The Sellers hold 1,36,53,940 Equity shares of the Target Company aggregating to 43.97% of the present paid up Equity and voting share capital of the Target Company.
- b. The Sellers have agreed to sell, and the Acquirers have agreed to acquire in aggregate 1,36,53,940 fully paid-up Equity shares of Re. 1.00/- each (**'Sale shares'**) representing 43.97% of the present paid up Equity and voting share capital of the Target Company at a price of Re. 1.70/- per share for cash aggregating to Rs. 2,32,11,698/- (**'Purchase Price'**).
- c. The Sale Shares are free from all charges, encumbrances, pledge, liens, attachments, litigations and are not subjects to any lock in period.
- d. The aggregate purchase consideration for the sale shares i.e., Rs. 2,32,11,698/- shall be payable to the Sellers as follows:
 - i.) A sum of Rs. 50,00,000/- (Rupees Fifty Lakhs Only) would be payable to the Sellers on the date of signing of SPA and
 - ii.) Balance amount of Rs. 1,82,11,698/- (Rupees One Crore Eighty-Two Lacs Eleven Thousand Six Ninety-Eight only) would be paid after the completion of the open offer.
- e. The Sellers shall sell, convey, and deliver to the Acquirers, Sale shares and the Acquirers shall purchase, acquire, and accept from the Sellers.
- f. That the Acquirers and the Sellers agree to abide by its obligations as contained in the SEBI (SAST) Regulations.
- g. That in case of non-compliance of any provisions of the SEBI (SAST) Regulations; the Agreement for such sale shall not be acted upon by the Sellers or the Acquirers.

2.1.10 The Acquirers have not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.

- 2.1.11 Apart from 1,36,53,940 (One Crore Thirty- Six Lakhs Fifty- Three Thousand Nine Hundred and Forty) fully paid-up equity shares which the Acquirers have proposed to acquire through SPA; the Acquirers do not hold any equity shares/voting rights of ICAL. The provisions of Chapter V of SEBI (SAST) Regulations are not applicable to the Acquirers.
- 2.1.12 As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.

2.2. Details of the proposed Offer:

- 2.2.1. The Acquirers have made a Public Announcement on Tuesday, June 15, 2021 to SEBI, BSE, Target Company and Detailed Public Statement dated Thursday, June 17, 2021 which was published in the following newspapers on Friday, June 18, 2021 in accordance with the Regulation 14 (3):

Publication	Language	Edition
Financial Express	English	All Editions
Jansatta (Hindi)	Hindi	All Editions
Mumbai Lakshadweep	Marathi	Mumbai Edition

- 2.2.2. The Detailed Public Statement is also available on the website of SEBI at www.sebi.gov.in, website of BSE at www.bseindia.com and the website of Manager to the Offer www.capitalsquare.in
- 2.2.3. The Acquirers have proposed to acquire from the existing Public Shareholders of ICAL (except the parties to the SPA) 96,26,991 equity shares of Re.1.00/- each representing 31.00% of total Equity and voting share capital of the Target Company, at a price of Re. 1.70/- (Rupee One and Seventy Paise only) (the ‘Offer Price’) per Equity share payable in cash (the ‘Offer’ of ‘Open Offer’) in accordance with Regulation 9(1)(a) of SEBI (SAST) Regulations, 2011 and subject to the terms and conditions set out in the PA, the DPS and this Draft Letter of Offer.
- 2.2.4. The Target Company does not have any partly paid-up shares. There are no outstanding warrants or option or similar instrument, convertible into equity shares at a later stage. No shares are subject to any lock- in obligations.
- 2.2.5. The Acquirers will accept all the Equity shares of ICAL those that are tendered in valid form in terms of this Open Offer up to a maximum of 96,26,991 fully paid-up Equity shares of Re.1.00/- each representing 31.00% of the total Equity and voting share capital of the Target Company.
- 2.2.6. Since the date of the PA to the date of this Draft Letter of Offer, the Acquirers have not acquired any Equity shares of ICAL.
- 2.2.7. No competitive bid has been received as on date of this Draft Letter of Offer.
- 2.2.8. There is no differential pricing in this Open Offer.
- 2.2.9. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19 (1) of SEBI (SAST) Regulations and is not a competitive bid in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 2.2.10. The offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 2.2.11. The Equity Shares of the Target Company will be acquired by Acquirers free from all liens, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 2.2.12. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed CapitalSquare Advisors Private Limited as the Manager to the Offer.
- 2.2.13. As per Regulation 38 of SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended (‘SCRR’), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015.

2.2.14. Upon completion of the Offer, assuming full acceptances in the Offer, Acquirers will hold 2,32,80,931 (Two Crore Thirty – Two Lakhs Eighty Thousand Nine Hundred and Thirty- One) Equity Shares constituting 74.97% of the present issued, subscribed and paid-up share capital of the Target Company.

2.3. Object of the Offer:

- 2.3.1. The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 2.3.2. The Acquirers propose to continue existing business of the Target Company and may diversify its business activities in future with prior approval of the Public Shareholders. The main purpose of takeover is to expand the Company's business activities in same/diversified line through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.
- 2.3.3. The Acquirers do not have any plans to dispose off or otherwise encumber any significant assets of ICAL in the succeeding two years from the date of closure of the Open Offer, except (a) in the ordinary course of business of the Target Company and (b) on account of regulatory approvals or conditions or compliance with any law that is binding on or applicable to the Target company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirers undertake that it shall do so only upon the receipt of the prior approval of the Public Shareholders of the Target Company through special resolution in terms of regulation 25(2) of the SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.
- 2.3.4. The Acquirers reserve the right to streamline/ restructure, pledge/ encumber its holding in the Target Company and/ or the operations, assets, liabilities and/ or businesses of the Target Company and/ or its subsidiary through arrangements, reconstructions, restructurings, mergers (including but not limited to merger with or between its subsidiary), demergers, sale of assets or undertakings and/ or re-negotiation or termination of existing contractual/ operating arrangements, at a later date in accordance with applicable laws. Such decisions will be taken in accordance with procedures set out under applicable law, pursuant to business requirements and in line with opportunities or changes in economic circumstances, from time to time.
- 2.3.5. Pursuant to this Open Offer and the transactions contemplated in the Share Purchase Agreement, the Acquirers shall become the Promoters of the Target Company and, the Sellers will cease to be the promoter of the Target Company in accordance with the provisions of Regulation 31A (10) of the SEBI LODR,2015.

3. BACKGROUND OF THE ACQUIRERS

3.1. SATYANARAYANA REDDY GARLAPATI ('Acquirer 1'):

- 3.1. Acquirer 1 is the s/o Janardhan Reddy Garlapati, aged 52 years, Indian resident, bearing Permanent Account Number 'AEQPG2585J' under the Income Tax Act, 1961, resident at Flat No. 404, Sai Santhoshi Residency, 12-13-677/52, Keemti Colony, Street No. 1, Tarnaka, Hyderabad - 500 017, Telangana, India. The Email ID of the Acquirer 1 is gsnreddy2003@gmail.com and contact number is +91-9848025754;
- 3.2. Acquirer 1 has completed his Master of Arts from Osmania University and has more than 20 (Twenty) years of experience in the field of Facility Management, Infrastructure, Agriculture, etc;
- 3.3. Acquirer 1 is the Elder Brother of Sukumar Reddy Garlapati (Acquirer 2);
- 3.4. Acquirer 1 is one of the director of Sumathi Corporate Facility Management and Services Private Limited, and is the designated partner of Sriven Labs LLP;
- 3.5. The Net worth of Acquirer 1 as on Friday, 30 April, 2021, is Rs.350.72/- Lakhs (Rupees Three Hundred and Fifty Lakhs and Seventy-Two Thousand Only) and the same is certified by Gundla & Co., Chartered Accountants, (Membership No 203754), Firm Registration No. 007789S, having its office at Flat No. 202, Sneha Enclave, H-No. 3-6-207, Maqdoom Marg, Himayat Nagar, Hyderabad - 500 029, Telangana, India, Tel. No. 040 - 23262547, Email: gundla.ca@gmail.com, cagundla@gmail.com

3.2. SUKUMAR REDDY GARLAPATI ('Acquirer 2'):

- 3.2.1. Acquirer 2 is the s/o Janardhan Reddy Garlapati, aged 46 years, Indian resident, bearing Permanent Account Number 'AEGPG0576B' under the Income Tax Act, 1961, resident at 101,12-13-484/4 and 5, Poulomi Bride, Station No. 1, Tarnaka Flat No. 101, Marredpally, Musheerabad, Hyderabad – 500 017, Telangana, India. The email id of Acquirer 2 is sukumar@sumathi.in and contact no. is 040-27847979;

- 3.2.2. Acquirer 2 holds Post-Graduation degree in Commerce from Osmania University and has got immense knowledge in Infrastructure and established Sumathi Infratech Private Limited in the year 2010 and successfully running the business from past 11 years. He has experience of more than 15 years in the field of Facility Management, Liaisoning with Government Departments, Agriculture, Seed Processing, etc;
- 3.2.3. Acquirer 2 is the Director of Sumathi Infratech Private Limited (Acquirer 3), Sumathi Seeds Private Limited, Telangana Airlines Private Limited, Sumathi Crop Science Private Limited, Sumathi Waste Management Services Private Limited; Further, is an Additional Director of Caspian Agro and Infrastructure Private Limited, and Managing Director of Sumathi Corporate Services Private Limited; Further, Acquirer 2 is also an Individual Partner in Pamsiram Prudhvi Builders LLP, and a Designated Partner in Sriven Labs LLP;
- 3.2.4. Acquirer 2 is the younger brother of the Acquirer 1 Satyanarayana Reddy Garlapati;
- 3.2.5. The Net worth of Acquirer 2 as on Friday, 30 April, 2021, is Rs.1,053.31/- Lakhs (Rupees One Thousand Fifty- Three Lakhs Thirty-One Thousand Only) and the same is certified by Gundla & Co., Chartered Accountants, (Membership No 203754), Firm Registration No. 007789S, having its office at Flat No. 202, Sneha Enclave, H-No. 3-6-207, Maqdoom Marg, Himayat Nagar, Hyderabad – 500 029, Telangana, India , Tel. No. 040 – 23262547, Email: gundla.ca@gmail.com, cagundla@gmail.com

3.3. SUMATHI INFRA TECH PRIVATE LIMITED ('Acquirer 3');

- 3.3.1. The Acquirer 3 is a private limited company incorporated on September 30, 2010 under the provisions of the Companies Act, 1956 bearing Permanent Account Number 'AAOCS8885N' under the Income Tax Act, 1961, bearing Corporate Identification Number 'U45200AP2010PTC070653'. There has been no change in the name of the Acquirer 3 since its incorporation. The email id is of the Acquirer 3 is info@sumathiinfra.in and contact no is 040-27847979. The registered office of the Acquirer 3 is situated at Plot No.8, Durga Nagar Colony, Punjagutta, Hyderabad – 500 082, Telangana, India;
- 3.3.2. The Acquirer 3 is an unlisted company which majorly operates in infrastructure projects for both Government as well as private sector.
- 3.3.3. The equity shares of the Acquirer 3 are not listed on any stock exchanges;
- 3.3.4. As on date of this Draft Letter of Offer, the Board of Directors of the Acquirer 3 consist of:

Name of the Director	DIN	Age	Date of Appointment	Qualification and Experience
Sukumar Reddy Garlapathi	00966068	46 years	September 30, 2010	He holds Post-Graduation degree in Commerce from Osmania University He is successfully running the business from past 11 years. He has experience of more than 15 years in the field of Facility Management, Liaisoning with Government Departments, Agriculture, Seed Processing
Ramesh Akula	03226638	45 years	September 30, 2010	He holds a Graduation Degree in Commerce. He has experience of more than 15 years in the field of Facility Management, Liaisoning with Government Departments, Agriculture, Seed Processing

- 3.3.5. The Authorised Share capital of the Acquirer 3 is Rs.3,00,00,000.00/- (Rupees Three Crores Only) comprising of 30,00,000 (Thirty Lakh) equity shares of face value of Rs.10.00/- (Rupees Ten only) and the issued, subscribed and paid-up share capital of the Acquirer 3 is Rs.1,00,000.00/- (Rupees One Lakh Only) comprising of 10,000 (Ten Thousand) equity shares of face value of Rs.10.00/- (Rupees Ten only);
- 3.3.6. Set out below is the shareholding pattern of the Acquirer 3.

Name of the Shareholder	No. of shares held	% of total issued shares
Sukumar Reddy Garlapati	7,000	70.00%
Satyanarayana Reddy Garlapati	2,900	29.00%

Ramesh Akula	100	1.00%
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3.3.7. The key financial information of the Acquirer 3 based on its un-audited standalone financial statements for the period ended June 02, 2021 and financial year ended March 31, 2021, and audited standalone financial statements for the financial years March 31, 2020, March 31, 2019 and March 31, 2018 is set out below.

Profit and Loss Statement

(Rs. In Lakhs)

Particulars	02-06-2021 (Unaudited and (Certified)	Year ended 31.03.2021 (Unaudited and Certified)	Year ended 31.03.2020 (Audited)	Year ended 31.03.2019 (Audited)	Year ended 31.03.2018 (Audited)
Income from operations	4.05	135.00	188.99	253.53	51.07
Other Income	-	20.00	18.00	35.75	-
Total Income	4.05	155.00	206.99	289.28	51.07
Total Expenditure	2.90	136.18	197.25	272.85	62.34
Profit Before Depreciation Interest and Tax	1.91	24.00	15.16	19.37	(-4.63)
Depreciation	0.50	5.18	5.42	2.94	3.92
Interest	0.26	-	-	-	2.71
Profit Before Tax	1.14	18.82	9.74	16.43	(11.27)
Less: Provision for Tax	-	2.10	3.06	3.47	-
Deferred Tax Liability	-	-	-	-	0.24
Profit After Tax	1.14	16.72	6.68	12.96	(11.51)

Balance Sheet

(Rs. in Lakhs)

Particulars	02-June-21	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18
	(Unaudited & Certified)	(Unaudited & Certified)	(Audited)	(Audited)	(Audited)
(A) Sources of funds					
Paid up share capital	1.00	20.00	10.50	1.00	1.00
Reserves & Surplus (excluding revaluation reserves)	0.53	44.60	25.78	16.04	(11.79)
Less: Miscellaneous Expenditure not written off	-	-	-	-	-
Net Worth	1.53	64.60	36.28	17.04	(10.79)
Share Application Money Pending For Allotment	358.00	-	-	-	-
Non-Current Liabilities	6.55	126.77	73.28	260.97	109.91
Current Liabilities	35.36	25.25	36.25	33.46	3.97
Total (A)	401.44	216.62	145.81	311.47	103.09
(B) Uses of funds					
Net Fixed Assets	18.90	181.21	16.11	5.03	29.33
Investments	-	-	-	-	-
Other Non-Current Assets	-	-	67.25	48.49	-
Current Assets	382.54	35.41	62.45	257.95	73.75
Total (B)	401.44	216.62	145.81	311.47	103.09

Other Financial Data

(Rs. in Lakhs)

Particulars	02-06-2021 (Unaudited) (Certified)	Year ended 31.03.2021 (Unaudited & Certified)	Year ended 31.03.2020 (Audited)	Year ended 31.03.2019 (Audited)	Year ended 31.03.2018 (Audited)
Total Revenue	4.05	21.48	16.75	52.43	51.07
Net Income i.e., Profit/ (Loss) After Tax	1.14	4.43	1.19	5.56	(11.51)
EPS (in Rs.)	11.44	44.36	11.86	55.63	(115.18)
Net worth /Shareholder Funds	0.47	0.38	(4.05)	(5.24)	(10.79)

3.4. CONFIRMATIONS BY THE ACQUIRERS:

- 3.6.1. The Acquirer 1 and Acquirer 2 are related to each other as brothers. Further, the Acquirer 1 and Acquirer 2 are the directors of the Acquirer 3; and hence all the Acquirers are related to one another.
- 3.6.2. The Acquirers do not belong to any group.
- 3.6.3. None of the Acquirers have been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- 3.6.4. The Acquirers have confirmed that they are not categorized as a 'Wilful Defaulter' in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011. They have further confirmed that they are not appearing in the wilful defaulters list of the Reserve Bank of India.
- 3.6.5. As on the date, the Acquirers have confirmed that they are not declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 3.6.6. The Acquirers are not forming part of the present Promoter group of the Target Company. As on date of the DPS, there is/are no nominee(s) of the Acquirers on the Board of Directors of the Target Company.
- 3.6.7. There are no persons acting in concert in relation to the offer within the meaning of 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 3.6.8. The Acquirers undertake that they will not sell the equity shares of the Target Company, held, and acquired by them, if any, during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

4. BACKGROUND OF INTELLIVATE CAPITAL ADVISORS LIMITED ('ICAL' or 'TARGET COMPANY')

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

- 4.1. Intellivate Capital Advisors Limited ('ICAL' or 'Target Company') was incorporated on March 03, 2011, as a public limited company under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra and received certificate for commencement of business dated July 07, 2011. The equity shares of the Target company got listed on BSE Limited on November 08, 2012 pursuant to Scheme of Arrangement of Demerger of Advisory Division of Intellivate Capital Ventures Limited, a BSE Listed company, approved by the Hon'ble High Court of Bombay vide its Order dated December 16, 2011. The Corporate Identification Number of the Company is L67190MH2011PLC214318, and its registered office is situated at 1104, A Wing, Naman Midtown, 11th Floor, Senapati Bapat Marg, Prabhadevi, Mumbai – 400 013, Maharashtra, India.
- 4.2. The Authorised Share Capital of ICAL is Rs. 3,50,00,000/- (Three Crores Fifty Lakhs only) comprising of 3,50,00,000 equity shares of Re. 1.00/- each. The Issued, Subscribed & Paid-up Capital of ICAL is Rs. 3,10,54,810/- (Rupees Three Crores Ten Lakhs Fifty-Four Thousand Eight Hundred Ten Only) comprising of 3,10,54,810 equity shares of Re. 1.00/- each.
- 4.3. As on date of the Draft Letter of Offer, the capital structure of the Target Company is as follows:

Paid up Equity Shares of Target Company	No. of Shares / Voting Rights
Fully Paid-up Equity Shares	3,50,00,000
Partly Paid-up Equity Shares	Nil
Total Paid-up Equity Shares	3,10,54,810 Equity Shares of Re.1.00 each
Total voting rights in the Target Company	3,10,54,810 Equity Shares of Re.1.00 each

- 4.4. As on date the Target Company does not have any partly paid equity shares. There are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. No shares are subject to any lock in obligations.
- 4.5. The entire Equity Shares Capital of ICAL is listed at BSE Limited, Mumbai. The equity shares of the Target Company are placed under Group 'XT' having a scrip code of '534732' & Scrip ID: INTELLADV on the BSE. The equity shares of ICAL are not frequently traded on BSE within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations. The Target Company has established connectivity with Central Depositories Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) having ISIN INE176N01021.
- 4.6. There has been no merger / demerger or spin off during the last 3 years.
- 4.7. The Target Company is in compliance with the SEBI (LODR) Regulations and as on date of this DLoO, no penal action has been taken by the stock exchange against the target company.
- 4.8. The present Board of Directors of ICAL are as follows:

Sr. No.	Name	DIN	Designation	Date of Appointment
1.	Leena Vipul Modi	00796382	Managing Director	March 03, 2011
2.	Vipul Jayantilal Modi	00796116	Director	March 03, 2011
3.	Paresh Tulsidas Vora	00340858	Additional Independent Director	February 10, 2021
4.	Anil Govindas Popat	00762549	Additional Independent Director	February 10, 2021

4.9. Financial Information:

The financial details of ICAL as per the audited accounts for last three financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are as follows:

Profit & Loss Statement

Particulars	(Rs. in Lakhs)		
	31-Mar-21	31-Mar-20	31-Mar-19
	(Audited)	(Audited)	(Audited)
Income from Operations	33.00	33.00	33.60
Other Income	6.60	8.28	7.85
Total Income	39.60	41.28	41.45
Total Expenditure	19.05	18.03	14.89
Profit/ (Loss) before Interest, Depreciation and Tax	20.54	23.25	26.56
Depreciation	-	-	-
Interest	-	-	-
Exceptional Items	-	-	-
Profit/ (Loss) before Tax	20.54	23.25	26.56
Less: Tax Expense	5.36	3.85	(0.09)
Profit/ (Loss) After tax	15.18	19.40	26.45

Balance Sheet

Particulars	(Rs. in Lakhs)		
	31-Mar-21	31-Mar-20	31-Mar-19
	(Audited)	(Audited)	(Audited)
(A) Sources of funds			
Paid up share capital	310.54	310.54	310.54
Reserves & Surplus (excluding revaluation reserves)	103.30	88.10	68.68
Less: Miscellaneous Expenditure not written off	-	-	-
Net Worth	413.84	398.64	379.23
Non-Current Liabilities	-	-	-

Current Liabilities	6.87	0.48	5.14
Total (A)	420.71	399.12	384.37
(B) Uses of funds			
Net Fixed Assets	0.33	0.33	0.34
Investments	140.00	-	-
Other Non-Current Assets	262.08	265.42	265.80
Current Assets	18.30	133.37	118.23
Total (B)	420.71	399.12	384.37

Other Financial Data

For the Year Ended	31-Mar-21	31-Mar-20	31-Mar-19
	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-
Earnings Per Share (Rs)	0.04	0.06	0.08
Return on Net worth (%)	3.66	4.86	6.97
Book Value Per Share (Rs)	1.33	1.28	1.23

Note:

- (1) Prepared as per Indian Accounting Standards (IndAS)
- (2) EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period
- (3) Return on Net Worth = Profit after Tax / Net Worth
- (4) Book Value per Share = Net Worth / No. of equity shares
- (5) Source: Audited Annual Reports/ Audited Financial Statements/ Limited Review Report

4.10. Pre- and Post-Offer Shareholding Pattern of ICAL (based on Issued, Subscribed & Paid-up Equity and Voting Share Capital) is as under:

Public Shareholders' Category	Shareholding/voting rights prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		= (D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoters and Promoter Group								
(a) Parties to the Agreement:								
Leena Vipul Modi	84,75,550	27.29	(84,75,550)	(27.29)	-	-	-	-
Vipul Jayantilal Modi	29,72,590	9.57	(29,72,590)	(9.57)	-	-	-	-
Vipul Jayantilal Modi HUF	14,77,300	4.76	(14,77,300)	(4.76)	-	-	-	-
Chandrakanta Jayantilal Modi	3,04,500	0.98	(3,04,500)	(0.98)	-	-	-	-
Jimmet Vipul Modi	1,06,000	0.34	(1,06,000)	(0.34)	-	-	-	-
Miloni Vipul Modi	1,000	0.00	1,000	(0.00)	-	-	-	-
Jimmet Developers Private Limited	1,06,000	0.34	(1,06,000)	(0.34)	-	-	-	-
Rock Builders and Developers Private Limited	1,06,000	0.34	(1,06,000)	(0.34)	-	-	-	-
Jinal Fin – Vest Private Limited	1,05,000	0.34	(1,05,000)	(0.34)	-	-	-	-
Total	1,36,53,940	43.97	(1,36,53,940)	(43.97)	-	-	-	-
(b) Promoters	-	-	-	-	-	-	-	-

other than (a) above								
Total	-	-	-	-	-	-	-	-
Total 1 (a+b)	1,36,53,940	43.97	(1,36,53,940)	(43.97)	-	-	-	-
2. Acquirers								
Acquirers 1,2,3	-	-	1,36,53,940	43.97	96,26,991	31.00	2,32,80,931	74.97
Total 2	-	-	1,36,53,940	43.97	96,26,991	31.00	2,32,80,931	74.97
3. Parties to Agreement other than 1(a) & 2	-	-	-	-	-	-	-	-
4. Public (other than Parties to Agreement and Acquirers)	-	-	-	-	-	-	-	-
a. FIs/MFs/FIIs/Banks/SFIs (Indicate names)	-	-	-	-	-	-	-	-
b. Others	-	-	-	-	-	-	-	-
c. Other than parties to SPA from Promoter and Promoter Group	-	-	-	-	-	-	-	-
d. Total No. of Public Shareholders in Public Category, i.e. 221	1,74,00,870	56.03	-	-	(96,26,991)	(31.00)	77,73,879	25.03
Total (4) (a+b+c+d)	1,74,00,870	56.03	-	-	(96,26,991)	(31.00)	77,73,879	25.03
GRAND TOTAL (1+2+3+4)	3,10,54,810	100.00%	-	-	-	-	3,10,54,810	100.00%

-Notes:

- i. No Equity Shares are subject to lock in.
- ii. Face value of Equity Shares of Target Company is Re. 1.00/- each.
- iii. The Acquirers have not acquired any shares from the date of PA till the date of this Draft Letter of Offer.

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1 Justification of Offer Price:

- 5.1.1 The Equity Shares of the Target Company are listed at the BSE Limited (BSE) only. The shares are placed under Group 'XT' having a scrip code of '534732' & Scrip Id: INTELLADV on the BSE.
- 5.1.2 The total trading turnover in the Equity Shares of the Target Company on the BSE based on trading volume during the twelve calendar months prior to the month of PA (June 01, 2020 to May 31, 2021) is as given below:

Stock Exchange	Total No. of Equity Shares traded during the Twelve calendar months prior to the month of PA	Total No. of listed equity shares of the Target Company	Total Trading Turnover (as % of total equity shares Listed)
BSE	1,12,138	3,10,54,810	0.36

- 5.1.3 Based on the above information, Equity Shares of IACL are not frequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.
- 5.1.4 The Offer Price has been determined considering the parameters as set out under regulation 8 (2) of the SEBI (SAST) Regulations, as under:

Sr. No.	Particulars	Price (In Rs per share)
1.	Negotiated Price under the SPA	Re. 1.70/-
2.	The Volume Weighted Average Price paid or payable for acquisitions by the Acquirers for 52 weeks immediately preceding the date of PA	Not Applicable
3.	Highest price paid or payable for acquisitions by the Acquirers for 26 weeks immediately preceding the date of PA	Not Applicable
4.	The Volume Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5.	Other Financial Parameters as on March 31, 2021:	
	(a) NAV per Equity share	Re. 1.36/-
	(b) Price Earning Capacity Value per Equity Share	NA
	(c) Market Based Value	NA

- 5.1.5 M/s Bhavesh Rathod & Co., Chartered Accountants, (Firm Registration No.1402046W), having their office at A/101, Shelter CHSL, CSC Road, Dahisar (East), Mumbai – 400 068, Maharashtra, India, Tel: +91 9769113490, E-mail: info@cabhaves@gmail.com vide valuation certificate dated Tuesday, June 15, 2021 has calculated the fair value of the Equity Shares of Target Company as Re. 1.36/- per Equity Share.
- 5.1.6 In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manger to the Offer, the Offer Price of Re. 1.70/- per equity share being the highest of the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations.
- 5.1.7 As on date there is no revision in Open Offer price or Open Offer size. In case of any revision in the Open Offer price or Offer Size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations and all other applicable provisions of SEBI (SAST) Regulations.
- 5.1.8 If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working day before the date of commencement of the tendering period and would be notified to Public Shareholders.
- 5.1.9 If the Acquirers, acquire or agree to acquire any Equity Shares or Voting Rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the Regulations, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirers shall (i) make public announcement in the same newspapers in which the DPS has been published; and (ii) simultaneously notify to SEBI, BSE, and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the Regulations.
- 5.1.10 If the Acquirers, 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, the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid if such acquisition is made under another Open Offer under Regulations, 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.

5.2 Financial Arrangements:

- 5.2.1 In terms of Regulation 25(1), the Acquirers have adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their own sources/ Net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged.
- 5.2.2 M/s Gundla & Co. Chartered Accountants (Firm Registration No. 007789S), having their office at Flat No. 202, Sneha Enclave, H. No 3-6-207, Maqdoom Marg, Himayath Nagar, Hyderabad 500 029, Telangana, India, Tel: 040- 23262547, E-mail: gundla.ca@gmail.com, cagundla@gmail.com, vide certificate dated Friday, June 11, 2021, that sufficient resources are available with the Acquirer 1 and Acquirer 2 for fulfilling the obligations under this 'Offer' in full. Further M/s Kavadapu & Associates, Chartered Accountants, (Firm Registration No. 0017380S), having their office at 1-10-74/5/1, 2nd Floor, Chikoti Gardens, Opposite Shoppers Stop, Begumpet, Hyderabad – 500 016, Telangana, India, Tel: +

91 9700114995, E-mail: kiranca.reddy@gmail.com vide certificate dated Wednesday, June 02, 2021, that sufficient resources are available with the Acquirer 3 for fulfilling the obligations under this 'Offer' in full.

- 5.2.3 The maximum consideration payable by the Acquirers to acquire 96,26,991 Equity Shares at the Offer Price of Re.1.70/- (Rupees One and Seventy Paise only) per Equity Share, assuming full acceptance of the Offer would be Rs. 1,63,65,885/- (Rupees One Crore Sixty- Three Lakhs Sixty- Five Thousand Eight Hundred and Eighty-Five only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers has opened an Escrow Account under the name and style of '**ICAL - OPEN OFFER - ESCROW ACCOUNT**' with ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400 020, Maharashtra, India ('**Escrow Banker**') and have deposited Rs. 45,00,000/- (Rupees Forty-Five Lakhs only) being more than 25% of the total consideration payable in the Open Offer, assuming full acceptance.
- 5.2.4 The Manager to the Offer is authorized to operate the above-mentioned Escrow Account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 5.2.5 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirers to fulfill its obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.
- 5.2.6 In case of upward revision of the Offer Price and/or the Offer Size, the Acquirers shall deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the Regulations, prior to effecting such revision.

6. TERMS AND CONDITIONS OF THE OFFER

- 6.1 The Letter of Offer will be mailed to all those Public Shareholders of ICAL (except the Acquirers and the parties to the SPA) whose name appear on the Register of Members and to the beneficial owners of the shares of the ICAL whose names appear on the beneficial records of the Depository Participant, at the close of business hours on Friday, July 23, 2021 ('**Identified Date**').
- 6.2 All owners of the shares Registered or Unregistered (except the Acquirers and the parties to the SPA) who own the shares any time prior to the Closing of the Offer is eligible to participate in the Offer as per the procedure set out in Para 7 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.
- 6.3 Accidental omission to dispatch the LoO or the non-receipt or delayed receipt of the LoO will not invalidate the Offer in anyway.
- 6.4 Subject to the conditions governing this Offer, as mentioned in the LoO, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.
- 6.5 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, 2011, Public Shareholders who tender their Equity Shares in the Offer shall not be entitled to withdraw such acceptance.
- 6.6 **Locked-in Shares:**
- There are no locked-in shares in ICAL.
- 6.7 **Eligibility for accepting the Offer:**
- 6.7.1 The Letter of Offer shall be mailed to all Public Shareholders/Beneficial Owners holding Equity Shares in dematerialized form (except the present promoter group Public Shareholders and Acquirers) whose names appear in register of Target Company as on Friday, July 23, 2021, the Identified Date.
- 6.7.2 This Offer is also open to persons who own Equity Shares in Target Company but are not registered Public Shareholders as on the Identified date.
- 6.7.3 All Public Shareholders/Beneficial Owners (except the present promoter group Public Shareholders, and the Acquirers) who own Equity Shares of Target Company any time before the closure of the Offer is eligible to participate in the Offer.
- 6.7.4 The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, **Purva Sharegistry (India) Private Limited**, having office at Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai – 400 011, Maharashtra, India, **Tel No.:** 022 2301 2518 / 8261, **E-mail:**

support@purvashare.com. The Contact Person is Ms. Deepali Dhuri from 10:00 a.m. to 5:00 p.m. on working days (except Saturdays, Sundays, and all public holidays), during the period the Offer is open.

- 6.7.5 The Public Announcement, the Detailed Public Statement, the Letter of Offer, and the Form of Acceptance will also be available on the website of SEBI at: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including unregistered Public Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the website of SEBI for applying in the Offer.
- 6.7.6 Unregistered Public Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Public Shareholders.
- 6.7.7 The acceptance of this Offer by the Public Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 6.7.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s)/beneficial owner(s) of Target Company.
- 6.7.9 The Acquirers, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms and Share Transfer Deed etc. during transit and the Public Shareholders of Target Company are advised to adequately safeguard their interest in this regard.
- 6.7.10 The acceptance of Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager to the Offer.
- 6.7.11 The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer.

6.8 Statutory Approvals and conditions of the Offer:

- 6.8.1 To the best of knowledge and belief of the Acquirers, as of the date of this Draft Letter of Offer, there are no other statutory approvals required for this Open Offer. However, if any other statutory approvals are required prior to completion of this offer, this offer would be subject to the receipt of such other statutory approvals that may become applicable later.
- 6.8.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required & received any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.
- 6.8.3 The Acquirers in terms of Regulation 23 of SEBI (SAST) Regulations will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS had appeared.
- 6.8.4 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of Regulation 18(11) of SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 7.1 The Open Offer will be implemented by the Acquirers through Stock Exchange Mechanism as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI and on such terms and conditions as may be permitted by law from time to time.
- 7.2 BSE Limited shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.

- 7.3 The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE, which shall be the Designated Stock Exchange, in the form of a separate window ('**Acquisition Window**').
- 7.4 For implementation of the Open Offer, the Acquirers have appointed Harjivandas Nemidas Securities Private Limited (the '**Buying Broker**') through whom the purchases and settlements on account of the Open Offer would be made by the Acquirers. The contact details of the Buying Broker are as follows:

Name	Harjivandas Nemidas Securities Private Limited
Address	G12/13, Hilife Mall, P. M. Road, Santacruz West, Mumbai - 400 054, Maharashtra, India
Contact No.	+91 98200 81141
Email Id	kartik@hnspl.com / kartik.broker1234@gmail.com
Contact Person	Kartik Broker

- 7.5 All Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stockbrokers ('**Selling Broker**'), during the normal trading hours of the secondary market during the Tendering Period.
- 7.6 The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized equity shares only.
- 7.7 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.
- 7.8 Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant).
- 7.9 Procedure for Equity Shares held in physical form:**
- 7.9.1. In accordance with the Frequently Asked Questions issued by SEBI, "FAQs – Tendering of physical shares in buyback offer /open offer/exit offer/delisting" dated February 20, 2020, and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, issued by SEBI Shareholders holding securities in physical form are allowed to tender shares in Open Offer through Tender Offer route. However, such tendering shall be as per the provisions of respective regulations.
- 7.9.2. Public Shareholders who are holding physical Equity Shares and intend to participate in the Open Offer shall approach Selling Broker. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- 7.9.3. After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein the along with the complete set of documents for verification procedures to be carried out (a) original share certificate(s), (b) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Target Company, (c) self-attested copy of the shareholder's PAN Card, and (d) TRS, any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscripted as "ICAL Open Offer". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- 7.9.4. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- 7.9.5. Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open Offer shall be subject to verification by the RTA. On receipt of the confirmation from the RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.

- 7.9.6. Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 7.9.7. Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
- a. Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
 - b. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
 - c. No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance.

7.10 Procedure for Equity Shares held in Demat Form:

- 7.10.1 The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker, indicating details of Shares they wish to tender in Open Offer.
- 7.10.2 The Selling Broker shall provide early pay-in of demat shares (except for Custodian Participant orders) to the Clearing Corporation before placing the bids / orders and the same shall be validated at the time of order entry.
- 7.10.3 For Custodian Participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 7.10.4 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 BSE / Clearing Corporation, before the opening of the Offer.
- 7.10.5 Upon placing the bid, the seller member(s) shall provide Transaction Registration slip ('TRS') generated by the Exchange Bidding System to the shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Equity Shares tendered etc.
- 7.10.6 The Public Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

8. ACCEPTANCE OF SHARES

- 8.1 Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 8.2 In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers 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.

9. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF THE LETTER OF OFFER

- 9.1. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 9.2. A Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in the Letter of Offer.
- 9.3. The Letter of Offer along with acceptance form will be dispatched to all the eligible Public Shareholders of the Target Company, as appearing in the list of members of the Target Company. In case of non-receipt of the Letter of Offer, such eligible Public Shareholders of the Target Company may download the same from the website of SEBI (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company.

- 9.4. The Letter of Offer along with the Form of Acceptance would also be available at website of SEBI, www.sebi.gov.in and Public Shareholders can also apply by downloading such forms from the said website.
- 9.5. Alternatively, in case of non-receipt of the Letter of Offer, the Eligible Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered, and other relevant documents as mentioned in paragraph 8. Such Eligible Public Shareholders must ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

10. SETTLEMENT PROCESS

- 10.1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement based on Shares transferred to the Clearing Corporation.
- 10.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favor of Clearing Corporation.
- 10.3. The direct credit of shares shall be given to the demat accounts of the Acquirers indicated by the Acquirers' Buying Broker. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 10.4. For the same, the existing facility of client direct payout in the capital market segment shall be available.
- 10.5. Buying Broker would also issue a contract note to the Acquirers for the Equity Shares accepted under the Offer.
- 10.6. 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 Buying Broker's pool account.
- 10.7. In case of partial or non-acceptance of orders or excess pay-in, Demat Shares shall be released to the securities pool account of the Selling Broker(s) / Custodian, post which, the Seller Broker(s) would then issue contract note for the shares accepted and return the balance shares to the Public Shareholders.

11. SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION

11.1. For Public Shareholders holding Equity Shares in demat:

- 11.1.1. The settlements of fund obligation for demat shares shall be affected by clearing corporation. For the equity shares accepted under the open offer, the payment will be made by the Clearing Corporation to the Public Shareholders directly to their bank account.
- 11.1.2. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Public Shareholder will receive funds payout in their settlement bank account.
- 11.1.3. The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder.
- 11.1.4. Public Shareholders who intend to participate in the Offer should consult their respective Seller Broker for payment to them of any cost, charges, and expenses (including brokerage) that may be levied by the Seller Broker upon the Selling Public Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Public Shareholders from their respective Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 11.1.5. In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18(11) of the SEBI SAST Regulations) grant an extension of time to the Acquirers pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.

12. NOTE ON TAXATION

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e., income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the 'Situs' of such shares. 'Situs' of the shares is generally where a company is 'incorporated'. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be 'situated' in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act, 1961 ('IT Act').

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

The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates.

Based on the provisions of the IT Act, the Public Shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year.

The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.

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

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

The tax implications are based on provisions of the IT Act as applicable as on date of this Draft Letter of Offer. In case of any amendment made effective prior to the date of closure of this Offer, then the provisions of the IT Act as amended would apply.

Notwithstanding the details given above, all payments will be made to the Public Shareholders subject to compliance with prevailing tax laws. The final tax liability of the Public Shareholder shall remain of such Public Shareholder and the said Public Shareholder will appropriately disclose the amounts received by it, pursuant to this Offer, before the Indian income tax authorities.

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE

A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS AND THE MANAGER TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.

13. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, CapitalSquare Advisors Private Limited 208, 2nd Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai 400 093, Maharashtra, India on any working day between 10.00 a.m. and 5.00 p.m. during the period the Offer is open i.e., from Friday, August 06, 2021 to Monday, August 23, 2021.

- i) Memorandum and Articles of Association and Certificate of Incorporation of Intellivate Capital Advisors Limited.
- ii) Memorandum of Understanding between Manager to Offer i.e., CapitalSquare Advisors Private Limited and the Acquirers.
- iii) Copy of Agreement between the Registrar to the offer i.e., Purva Shareregistry (India) Private Limited and the Acquirers.
- iv) Certificate dated Friday, 11 June, 2021 from CA M/s Kavadapu & Associates, Chartered Accountants, (Membership No. 226442, Firm Reg. No. 0017380S, having its office at 1-10-74/5/1, 2nd Floor, Chikoti Gardens, Opposite Shoppers Stop, Begumpet, Hyderabad – 500 016, Telangana, India, Tel. No. + 91 9700114995; Email: kiranca.reddy@gmail.com certifying that sufficient resources are available with the Acquirers for fulfilling the obligations under this ‘Offer’ in full.
- v) Valuation Report dated Tuesday, June 15, 2021 from CA Bhavesh Rathod, Proprietor of M/s Bhavesh Rathod & Co. Chartered Accountants, (Firm Registration No.1402046W), having their office at A/101, Shelter CHSL, CSC Road, Dahisar (East), Mumbai – 400 068, Maharashtra, India, Tel: +91 9769113490, E-mail: info@cabhavesh@gmail.com showing the fair value of the Equity Shares of Target Company as Re. 1.36/- per Equity Share.
- vi) Audited Financial Statements for the last three financial years ended, March 31, 2021, March 31, 2020, and March 31, 2019 of Intellivate Capital Advisors Limited.
- vii) Bank Statement received from, ICICI Bank Limited for required amount kept in the escrow account and marked lien in favour of Manager to Offer.
- viii) The copy of Share Purchase Agreement dated Tuesday, June 15, 2021 between the Sellers and the Acquirers, which triggered the Open Offer.
- ix) Copy of the Public Announcement dated Tuesday, June 15, 2021 and published copy of the Detailed Public Statement dated Friday, June 18, 2021.
- x) Copy of the recommendations dated [●] made by the Committee of Independent Directors of the Target Company.
- xi) Copy of SEBI Observation letter no. [●] dated [●].
- xii) Escrow Agreement between Acquirers, ICICI Bank Limited and Manager to the Offer.

14. DECLARATION BY THE ACQUIRERS

For the purpose of disclosures in this Draft Letter of Offer relating to the Target Company the Acquirers has relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers accept full responsibility for the information contained in this Draft Letter of Offer and accept responsibility for the obligations of the Acquirers as laid down in the Takeover Regulations. The Acquirers shall be responsible for ensuring compliance with the Takeover Regulations.

ON BEHALF OF THE ACQUIRERS:

Sd/-

Sumathi Infratech Private limited

Place: Mumbai

Date: Wednesday, June 23, 2021