

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a Shareholder(s) of F Mec International Financial Services Limited (hereinafter referred to as "Target Company" or "Target" or "FMEC"). 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 Company, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

Open Offer By	
Mr. Pankaj Kumar, residing at A-708, UNESCO Appts., I P Extension, Patparganj, Delhi- 110092, Mobile no.: +91-9811228951; ("Acquirer 1"), Mr. Manoj Kumar Jain, residing at C 34, Ground Floor, South Extension, Part-2, Andrewsganj, Defence Colony, New Delhi-110049, Mobile no.: +91-9811076903; ("Acquirer 2"), (Acquirer 1 & Acquirer 2 hereinafter collectively referred to as the "Acquirers") along with Mrs. Lalita Bansal ("PAC 1"), Mr. Apoorve Bansal (PAC 2), Ms. Megha Bansal (PAC 3), Pankaj Kumar Bansal (HUF) (PAC 4), residing at A-708, UNESCO Appts., I P Extension, Patparganj, Delhi- 110092, Mrs. Niraj Jain (PAC 5), Ms. Mahima Jain (PAC 6) and M K Jain (HUF) (PAC 7), residing at C 34, Ground Floor, South Extension, Part-2, Andrewsganj, Defence Colony, New Delhi-110049, (PAC 1 to PAC 7 hereinafter collectively referred to as "Persons Acting In Concert"/"PACs") with the Acquirers	
to the shareholder(s) of	
F Mec International Financial Services Limited Registered office: IInd Floor, Central Bank Building, 13-B, Netaji Subhash Marg, Daryaganj, Delhi-110002, Ph.: 011 43680407, Email ID: fmecinternational@gmail.com, Website: www.fmecinternational.com To acquire upto 806182 (Eight Lakh Six Thousands One Hundred and Eighty Two Only) Equity Shares of the face value of Rs. 10 each ("Offer Shares"), representing 26% of the fully paid up Equity Share Capital of the Target Company at a price of Rs. 9/- (Rupees Nine Only) per fully paid up Equity Share of Rs. 10 each, payable in cash.	
Please Note: - This Offer is being made by the Acquirers pursuant to regulation 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations"). - This Open Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of SEBI (SAST) Regulations. This Open Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations. There has been no Competing Offer as on the date of this Draft Letter of Offer. - The Offer is subject to the receipt of statutory and other approvals as mentioned in Paragraph 7.4 of this Draft Letter of Offer. - If there is any upward revision in the Offer Price or the number of Shares sought to be acquired under the Open Offer by the Acquirers at any time prior to the commencement of the last three working days before the commencement of the tendering period i.e. upto Monday, June 12, 2017 the same would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement appeared. The revised Offer Price would be payable for all the Equity Shares validly tendered anytime during the Tendering Period. - A copy of the Public Announcement, the Detailed Public Statement, Draft Letter of Offer and Letter of Offer (including Form of Acceptance cum Acknowledgment) are also available on SEBI's website (www.sebi.gov.in).	
MANAGER TO THE OFFER  Corporate Capital Ventures CORPORATE CAPITALVENTURES PRIVATE LIMITED SEBI Regn. No.: MB/INM000012276 Regd. Off.: 160 (Basement), Vinoba Puri, Lajpat Nagar –II, New Delhi- 110024 Tel No.: +91-11-41704066 Contact Person: Mr. Kulbhushan Parashar E-mail: info@ccvindia.com Website: www.ccvindia.com	REGISTRAR TO THE OFFER  SKYLINE FINANCIAL SERVICES PRIVATE LIMITED SEBI Regn. No.: INR000003241 Regd. Off.: D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020. Tel No.: +91-11-64732681-88 Fax No.: +91-11-26812683 Contact Person: Mr. Virender Rana Email id: viren@skylinerta.com Website: www.skylinerta.com

SCHEDULE OF THE ACTIVITIES PERTAINING TO THE OFFER

Nature of Activity	Day and Date
Date of the Public Announcement	Monday, April 24, 2017
Date of publication of the Detailed Public Statement	Tuesday, May 02, 2017
Last date of filing of the draft Letter of Offer with SEBI	Tuesday, May 09, 2017
Last date for a Competing Offer	Wednesday, May 24, 2017
Identified Date*	Friday, June 02, 2017
Last Date by which Letter of Offer will be dispatched to the Shareholders	Friday, June 09, 2017
Last date by which an independent committee of the Board of Target Company shall give its recommendation	Wednesday, June 14, 2017
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspaper	Thursday, June 15, 2017
Date of commencement of tendering period (Offer Opening Date)	Friday, June 16, 2017
Date of expiry of tendering period (Offer Closing Date)	Friday, June 30, 2017
Date by which all requirements including payment of consideration would be completed	Friday, July 14, 2017

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

TABLE OF CONTENTS

RISK FACTORS	2
1. DEFINITIONS	3
2. DISCLAIMER CLAUSE.....	5
3. DETAILS OF THE OFFER.....	5
4. BACKGROUND OF THE ACQUIRERS AND THE PACs	8
5. BACKGROUND OF F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED	11
6. OFFER PRICE AND FINANCIAL ARRANGEMENTS	14
7. TERMS AND CONDITIONS OF THE OFFER.....	16
8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT.....	17
9. DOCUMENTS FOR INSPECTION	20
10. DECLARATION BY THE ACQUIRERS INCLUDING THE PACs.....	21

RISK FACTORS

RISKS RELATED TO THE TRANSACTION, THE PROPOSED OPEN OFFER AND THE PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRERS AND THE PACs

(A) Risk relating to the transaction

The Open Offer is subject to the compliance of the terms and conditions as set out under the Share Purchase Agreement dated April 24, 2017. In accordance with the Share Purchase Agreement, the transaction under the Share Purchase Agreement shall be completed upon the fulfillment of conditions precedent agreed between the Acquirers and the Sellers in the Agreement. Regulation 23(1) of the SEBI (SAST) Regulations, lists the circumstances under which offer may stand withdrawn, in the present case, as on the date of this Draft Letter of Offer, there are no apparent circumstances which may warrant a withdrawal of the offer under regulation 23(1) of the SEBI (SAST) Regulations. If at a later date, any other statutory or regulatory or other approvals/no objections are required, the Offer would become subject to receipt of such other statutory or regulatory or other approvals/no objections.

(B) Risk relating to the Offer

1. To the best of knowledge of the Acquirers and the PACs, no statutory approvals are required for completing the offer except approval of Reserve Bank of India in terms of Non-Banking Financial Companies (Approval of Acquisition or Transfer of Control) Directions, 2015 issued in terms of Notification No. DNBR (PD) CC. No. 065/03.10.001/2015-16 dated July 09, 2015 ("**RBI Approval**"). However, the Offer will be subject to all statutory approvals that may become applicable at a later date. The Acquirers and the PACs reserve the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the SEBI (SAST) Regulations in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused.
2. In the event: (a) the regulatory approvals are not received in a timely manner; or (b) there is any litigation to stay the Offer; or (c) SEBI instructs the Acquirers and the PACs not to proceed with the Offer or to comply with certain conditions before proceeding the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer.
3. Consequently, the payment of consideration to the public shareholders of FMEC, whose Equity Shares are validly accepted in the Offer as well as the return of Equity Shares not validly accepted in the Offer, may be delayed.
4. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
5. Equity Shares, once tendered through the Form of Acceptance-cum-Acknowledgement in the Offer, cannot be withdrawn by the Eligible Shareholders, even if the acceptance of Equity Shares under the Offer and dispatch of consideration are delayed.
6. The Equity Shares tendered in the Offer will be held in trust in the pool account of the broker / in trust by the Clearing Corporation / Registrar to the Offer until the completion of the Offer formalities and the Eligible Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares, even if the acceptance of the Equity Shares in the Offer and dispatch of payment consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Eligible Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Eligible Shareholders will be solely responsible for their decisions regarding the participation in this Offer. None of the Acquirers, PACs or the Manager to the Offer makes any assurance with respect to the market price of the Equity Shares before the commencement of the Offer, during the period that the Offer is open and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Eligible Shareholders on whether or not to participate in the Offer.

7. The Acquirers, PACs and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Draft Letter of Offer/Detailed Public Statement/Public Announcement/ advertisements or any materials issued by or at the instance of the Acquirers and the PACs. Anyone placing reliance on any other source of information (not released by the Acquirers, PACs or the Manager to the Offer) will be doing so at his/her/their own risk.
8. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer residing in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers, PACs or the Manager to the Offer to any new or additional registration requirements.
9. The Eligible Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, and the appropriate course of action that they should take. The Acquirers and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
10. Unless otherwise mentioned the information contained in the DLOF is as of the date of this DLOF. The Acquirers, PACs and the Manager to the Offer are under no obligation to update the information contained herein at any time after the date of this DLOF.

(C) Probable risk involved in associating with the Acquirers and the PACs

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

The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of Target Company are advised to consult their Stock Brokers or Investment Consultants, if any, for analyzing all the risks with respect to their participation in the Offer.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to “Rs.” are to the reference of Indian National Rupees (“INR”). Throughout this Draft Letter of Offer, all figures have been expressed in “Lakh” unless otherwise specifically stated. 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.

1. DEFINITIONS

Acquirer 1	Mr. Pankaj Kumar
Acquirer 2	Mr. Manoj Kumar Jain
Acquirers	Mr. Pankaj Kumar and Mr. Manoj Kumar Jain
CCV/Manager to the Offer/MB/Merchant Banker	Corporate CapitalVentures Private Limited, the Merchant Banker appointed by the Acquirers pursuant to regulation 12 of the SEBI (SAST) Regulations
DSE	Delhi Stock Exchange Limited
Date of Opening of Offer	Friday, June 16, 2017
Date of Closure of Offer	Friday, June 30, 2017
Detailed Public Statement/DPS	Detailed Public Statement dated May 01, 2017, made by the Manager to the Offer on behalf of the Acquirers to the shareholders of FMEC, which was published on May 02, 2017 in all editions of Business Standard (English) and Business Standard (Hindi) and in Lakshadeep (Marathi)
Draft Letter of Offer/DLOF/DLOO	The Draft Letter of Offer dated Saturday, May 06, 2017 submitted to SEBI for its observations.
Eligible Person(s)/Eligible Shareholder(s) for the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirers and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.
F Mec International Financial Services Limited/FMEC/ Target Company/Target	A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at IInd Floor, Central Bank Building, 13-B, Netaji Subhash Marg, Daryaganj, Delhi-110002.
FIPB	Foreign Investment Promotion Board

Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
Identified Date	Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent.
Letter of Offer/LOO	The Letter of Offer dated [●]
Offer/Open Offer	Open Offer for acquisition of upto 806182 (Eight Lakh Six Thousands One Hundred and Eighty Two Only) Equity Shares of the face value of Rs. 10 each ("Offer Shares"), representing in aggregate 26% of the fully paid up Equity Share Capital of the Target Company at a price of Rs. 9/- (Rupees Nine Only) per fully paid up Equity Share of Rs. 10 each, payable in cash.
Offer Price	Rs. 9/- (Rupees Nine Only) per fully paid up equity share of Rs. 10/- each.
PAC 1	Mrs. Lalita Bansal
PAC 2	Mr. Apoorve Bansal
PAC 3	Ms. Megha Bansal
PAC 4	Pankaj Kumar Bansal (HUF)
PAC 5	Mrs. Niraj Jain
PAC 6	Ms. Mahima Jain
PAC 7	M K Jain (HUF)
Persons Acting In Concert/ PACs	Mrs. Lalita Bansal, Mr. Apoorve Bansal, Ms. Megha Bansal, Pankaj Kumar Bansal (HUF), Mrs. Niraj Jain, Ms. Mahima Jain and M K Jain (HUF)
Public Announcement/PA	Public Announcement dated April 24, 2017 made by the Manager to the Offer on behalf of the Acquirers on April 24, 2017.
Registrar/Registrar to the Offer/RTA	Skyline Financial Services Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi – 110020
Regulations/ SEBI (SAST) Regulations /SAST Regulations/Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act, 1992, and subsequent amendments thereof.
Sellers	Mr. Suraj Parkash Aggarwal, Mr. Bimal Aggarwal, Mr. Sumat Parkash Aggarwal, Mrs. Rachna Agarwal and Mrs. Sangeeta Agarwal
Share(s)	Equity Shares of F Mec International Financial Services Limited
SPA	Share Purchase Agreement dated April 24, 2017 entered into between the Acquires and the Sellers
Stock Exchange	BSE Limited
Tendering period	A period of 10 (Ten) working days period from the date of opening of offer on Friday, June 16, 2017 to closing of offer on Friday, June 30, 2017.

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

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 05, 2017 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS, 2011 AND SUBSEQUENT AMEDEMMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer (the “Offer”) is being made by the Acquirers along with the PACs to the shareholders of the Target Company in compliance with regulation 3(1) and 4 of the SEBI (SAST) Regulations for acquisition of the entire present shareholding of the Sellers in terms of the Share Purchase Agreement (“SPA”) dated April 24, 2017 and taking complete Management Control of the Target Company and to be designated as Promoters.

3.1.2 The Acquirers have entered into a Share Purchase Agreement (“SPA”) with the existing Promoter of the Target Company (hereinafter referred to as the “Sellers”) with the objective of acquisition of the entire present shareholding of the Seller i.e. 365,375 (Three Lakh Sixty Five Thousand Three Hundred and Seventy Five Only) Equity Shares of the Target Company, representing 11.78% of the fully paid-up Equity Share Capital of the Target Company presently held by the Seller, at a price of Rs. 3.05/- (Rupee Three and Five Paise only) per fully paid Equity Share for cash consideration. **This mandatory Open Offer is made by the Acquirers along with the PACs in compliance with Regulation 3(1) and 4 of the SEBI (SAST) Regulations, consequent to the agreement for acquisition of complete Control and Management of the Target Company and to be designated as Promoters along with entire shareholding of the sellers as contemplated under the SPA.**

3.1.3 The Details of the Sellers are as follows:

Sr. No.	Name & Address of the Seller	Nature of Entity	Part of Promoter group (Yes/No)	Listed/ Unlisted	Shareholding (No. of Equity Shares)	% of paid up and Voting Capital
1.	Suraj Parkash Aggarwal 712, Sector-14, Gurgaon, Haryana- 122001	Individual	Yes	Not Applicable	141,325	4.56
2.	Bimal Aggarwal 3700, Sector-23, Gurgaon, Haryana- 122017	Individual	Yes	Not Applicable	68,000	2.19
3.	Sumat Parkash Aggarwal 712, Sector-14, Gurgaon, Haryana- 122001	Individual	Yes	Not Applicable	134,050	4.32
4.	Rachna Agarwal 3700, Sector-23, Gurgaon, Haryana- 122017	Individual	Yes	Not Applicable	18,500	0.60
5.	Sangeeta Agarwal 712, Sector-14, Gurgaon, Haryana- 122001	Individual	Yes	Not Applicable	3,500	0.11

3.1.4 The salient features of the SPA are as follows:

- SPA have been entered on April 24, 2017 between the Acquirers and Sellers, to acquire 365375 (Three Lakh Sixty Five Thousand Three Hundred and Seventy Five Only) fully paid up Equity Shares at a price of Rs. 3.05/- (Rupee Three and Five Paise only) each representing 11.78% of the fully paid-up Equity Share Capital of the Target Company.
- The SPA is subject to the compliances of provisions of SEBI (SAST) Regulations and in case of non-compliances of any provisions of SEBI (SAST) Regulations, the SPA shall not be acted upon.
- The Agreement shall be binding on the parties.
- That the Sale of Shares under the SPA are free and clear from all Liens, Claim, encumbrance, charge, mortgage and the like.
- The Acquirers intends to acquire the complete management control along with the entire current shareholding of the Sellers.
- The Purchase Consideration of the Sale Shares in respect of the transfer of shares has been agreed to be Rs. 3.05/- per share resulting in an aggregate consideration of Rs. 11,14,393.75/- (Rupees Eleven Lakh Fourteen Thousand Three Hundred Ninety Three and Seventy Five Paise only) payable by the Acquirers to the respective Sellers.

3.1.5 After the completion of this Offer and pursuant to the transfer of the Equity Shares so acquired, the Acquirers along with the PACs shall be in a position to exercise complete management control over the Target Company. Simultaneously with the purchase of the Sale Shares (or any part thereof) by the Acquirers under the SPA, the Sellers shall cease to be “Promoters” of the Target Company.

3.1.6 The Offer is not as a result of Global Acquisition resulting in indirect acquisition of Target Company.

3.1.7 As on the date of this Draft Letter of Offer, the Acquirers along with PACs hold 666,975 (Six Lakh Sixty Six Thousands Nine Hundred and Seventy Five) Equity Shares representing 21.51% of the fully paid-up Equity Share Capital of the Target Company, the break-up of the same is as follows:

S. No.	Name of the Acquirers/PACs	No. of Equity Shares/Voting Rights held	% of Equity Shares or Voting Rights held
1.	Mr. Pankaj Kumar (Acquirer 1)	72,300	2.33
2.	Mr. Manoj Kumar Jain (Acquirer 2)	124,000	4.00
3.	Mrs. Lalita Bansal (PAC 1)	51,300	1.65
4.	Mr. Apoorve Bansal (PAC 2)	77,800	2.51
5.	Ms. Megha Bansal (PAC 3)	75,100	2.42
6.	Pankaj Kumar Bansal (HUF) (PAC 4)	59,000	1.90
7.	Mrs. Niraj Jain (PAC 5)	76,100	2.45
8.	Ms. Mahima Jain (PAC 6)	81,375	2.62
9.	M K Jain (HUF) (PAC 7)	50,000	1.61
	Total	666,975	21.51

3.1.8 There is no separate arrangement for the proposed change in control of the Target Company except for the terms as mentioned in the SPA.

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

3.1.10 The Acquirers and the PACs have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.11 The Acquirers may, subsequent to successful completion of this Open Offer or in accordance with regulation 22(2) of SEBI (SAST) Regulations, reconstitute the Board of Directors of the Target Company. As on date, the Acquirers have not decided on the names of persons who may be appointed on the Board of Directors of the Target Company.

3.1.12 A recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy thereof shall be sent to SEBI, Stock Exchange and the Manager to the Offer and in case of a competing offer(s) to the manager(s) to the open offer for every competing offer.

3.2 Details of the Proposed Offer

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

Name of the Newspaper	Edition	Date
Business Standard (English)	All Editions	Tuesday, May 02, 2017
Business Standard (Hindi)	All Editions	Tuesday, May 02, 2017
Lakshadeep (Marathi)	Mumbai	Tuesday, May 02, 2017

- 3.2.2 A copy of the Detailed Public Statement for the Open Offer is also available on the website of SEBI at www.sebi.gov.in and on the website of the Manager to the Offer at www.ccvindia.com.
- 3.2.3 The Acquirers and the PACs are making an Offer to acquire up to 806,182 Equity Shares of face value of Rs. 10 each ("Offer Shares"), representing 26% of the fully paid up Equity Share Capital of the Target Company at a price of Rs. 9/- (Rupees Nine Only) per fully paid up Equity Share of Rs. 10 each, payable in cash.
- 3.2.4 All the shares of the Target Company are fully paid up and there are no partly paid up shares in the Target Company. There is no differential pricing in the Offer.
- 3.2.5 This is not a competing Offer in terms of regulation 20 of the SEBI (SAST) Regulations and there has been no competing offer as on the date of this Draft Letter of Offer.
- 3.2.6 This Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of the SEBI (SAST) Regulations.
- 3.2.7 The Acquirers will acquire upto 806,182 Equity Shares that are validly tendered in accordance with the terms of the Offer at the offer price. In the event the Equity Shares tendered in the Offer are more than the Equity Shares proposed to be acquired under the Offer, the acquisition of Equity Shares from the Eligible Shareholders will be on a proportionate basis, as detailed in paragraph 8.15 of this Draft Letter of Offer.
- 3.2.8 The Equity Shares of the Target Company will be acquired by the 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.
- 3.2.9 The Acquirers and the PACs have not acquired any shares of the Target Company from the date of the PA i.e. April 24, 2017 upto the date of this Draft Letter of Offer.
- 3.2.10 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Corporate CapitalVentures Private Limited as the Manager to the Offer.
- 3.2.11 As on the date of this Draft Letter of Offer, the Manager to the Offer, Corporate CapitalVentures Private Limited, does not hold any Equity Shares in the Target Company, further, the Manager to the Offer is not related to the Acquirers, PACs and the Target Company in any manner whatsoever. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.
- 3.2.12 The acquisition of Equity Shares pursuant to the Offer shall not result in the public shareholding in the Target Company falling below the minimum public shareholding required in accordance with Rule 19 and Rule 19A of the SCRR read with SEBI LODR Regulations.

3.3 Object of the Acquisition/Offer

- 3.3.1 The object and intent for acquiring substantial stake and control of the Target Company by the Acquirers and the PACs are to foray into NBFC sector in accordance with provisions of applicable rules/regulations/act formulated by the Reserve Bank of India ("RBI") and also to comply with the provisions of the Takeover Regulations. The objective is primarily to revive the business and to strengthen the competence of the Target Company with their experience and expertise. The acquisition of the Sale Shares by the Acquirers and the combined shareholding of the Acquirers and the PACs will help them to capitalize on the favorable long term growth prospects of the Target Company. However, no firm decision in this regard has been taken or proposed so far.
- 3.3.2 The Acquirers and the PACs intends to make changes in the Board of Directors of the Target Company, subsequent to the completion of this Offer in accordance with the SEBI (SAST) Regulations. However, no firm decision in this regard has been taken or proposed so far.

- 3.3.3 The Acquirers and the PACs do not have any intention to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations.

4. BACKGROUND OF THE ACQUIRERS AND THE PACs

4.1 Information about the Acquirers:

a. Mr. Pankaj Kumar (Acquirer 1):

- i. Mr. Pankaj Kumar aged about 53 years, son of Late Shri Prem Chand Bansal is residing at A-708, UNESCO Appmts., I P Extension, Patparganj, Delhi- 110092, Mobile no.: +91-9811228951. He is a member of Institute of Chartered Accountants of India (ICAI) and is having experience spanning over 24 years in the field of Finance, Accounts, Taxation and management Consultancy. The Acquirer has not changed / altered his name at any point of time during his life.
- ii. Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, having office at B-10, Gharonda Apartments, Srestha Vihar, Delhi-110092, Mobile No.: +91-9810973339, Email Id: ykmaghan@rediffmail.com has certified, vide certificate dated April 24, 2017 that the net worth of Mr. Pankaj Kumar is Rs. 74,04,820.00 (Rupees Seventy Four Lakh Four Thousand Eight Hundred and Twenty only).
- iii. As on date of this Draft Letter of Offer, Mr. Pankaj Kumar is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mr. Pankaj Kumar does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mr. Pankaj Kumar holds 72,300 Equity Shares representing 2.33% of the fully paid up Equity Share Capital of the Target Company. Besides this, he is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
- vi. Mr. Pankaj Kumar has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

b. Details of Mr. Manoj Kumar Jain (Acquirer 2):

- i. Mr. Manoj Kumar Jain aged about 53 years, Son of Shri Tulsi Ram Jain is residing at C 34, Ground Floor, South Extension, Part-2, Andrews Ganj, Defence Colony, New Delhi-110049, Mobile no.: +91-9811076903. He is a member of Institute of Chartered Accountants of India (ICAI) and is having experience spanning over 28 years in the field of Finance, Audit and business Consultancy. The Acquirer has not changed / altered his name at any point of time during his life.
- ii. Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates, Chartered Accountant, having office at 302, Gold Plaza, 2057/39, Gurudwara Road, Karol Bagh, New Delhi- 110005, Mobile No.: +91-9811336502, Email Id: ck_goyal@yahoo.com, has certified, vide certificate dated April 24, 2017 that the net worth of Mr. Manoj Kumar Jain is Rs. 98,51,664.39 (Rupees Ninety Eight Lakh Fifty One Thousand Six Hundred Sixty Four and Thirty Nine paise only).
- iii. As on date of this Draft Letter of Offer, Mr. Manoj Kumar Jain is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mr. Manoj Kumar Jain does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mr. Manoj Kumar Jain holds 124,000 Equity Shares representing 4.00% of the fully paid up Equity Share Capital of the Target Company. Besides this, he is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
- vi. Mr. Manoj Kumar Jain has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

c. Details of Mrs. Lalita Bansal (PAC 1) :

- i. Mrs. Lalita Bansal aged about 49 years, Wife of Shri Pankaj Kumar is residing at A-708, UNESCO Appmts., I P Extension, Patparganj, Delhi- 110092, Mobile no.: +91-9711064272. She is graduate and having 11 years of experience in the field of administration. The Pac 1 has not changed / altered her name at any point of time during her life.

- ii. Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, having office at B-10, Gharonda Apartments, Srestha Vihar, Delhi-110092, Mobile No.: +91-9810973339, Email Id: ykmaghan@rediffmail.com, has certified, vide certificate dated April 24, 2017 that the net worth of Mrs. Lalita Bansal is Rs. 69,45,394.00 (Rupees Sixty Nine Lakh Forty Five Thousand Three Hundred and Ninety Four only).
- iii. As on date of this Draft Letter of Offer, Mrs. Lalita Bansal is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mrs. Lalita Bansal does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mrs. Lalita Bansal holds 51,300 Equity Shares representing 1.65% of the fully paid up Equity Share Capital of the Target Company. Besides this, she is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
- vi. Mrs. Lalita Bansal has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

d. Details of Mr. Apoorve Bansal (PAC 2):

- i. Mr. Apoorve Bansal aged about 23 years, son of Shri Pankaj Kumar is residing at A-708, UNESCO Appts., I P Extension, Patparganj, Delhi- 110092, Mobile no.: +91-9999744869. He is a member of Institute of Chartered Accountants of India (ICAI) and is having experience spanning over 4 years in the field of Finance, Audit and Accounts. The Pac 2 has not changed / altered his name at any point of time during his life.
- ii. Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, having office at B-10, Gharonda Apartments, Srestha Vihar, Delhi-110092, Mobile No.: +91-9810973339, Email Id: ykmaghan@rediffmail.com, has certified, vide certificate dated April 24, 2017 that the net worth of Mr. Apoorve Bansal is Rs. 32,04,046.00 (Rupees Thirty Two Lakh Four Thousand and Forty Six only).
- iii. As on date of this Draft Letter of Offer, Mr. Apoorve Bansal is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mr. Apoorve Bansal does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mr. Apoorve Bansal holds 77,800 Equity Shares representing 2.51% of the fully paid up Equity Share Capital of the Target Company. Besides this, he is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
- vi. Mr. Apoorve Bansal has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

e. Details of Ms. Megha Bansal (PAC 3):

- i. Ms. Megha Bansal aged about 25 years, daughter of Shri Pankaj Kumar is residing at A-708, UNESCO Appts., I P Extension, Patparganj, Delhi- 110092, Mobile no.: +91-7503028951. She is a member of Institute of Chartered Accountants of India (ICAI) and is having experience spanning over 5 years in the field of Finance and management Consultancy. The Pac 3 has not changed / altered her name at any point of time during her life.
- ii. Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, having office at B-10, Gharonda Apartments, Srestha Vihar, Delhi-110092, Mobile No.: +91-9810973339, Email Id: ykmaghan@rediffmail.com, has certified, vide certificate dated April 24, 2017 that the net worth of Ms. Megha Bansal is Rs. 31,57,309.00 (Rupees Thirty One Lakh Fifty Seven Thousand Three Hundred and Nine only).
- iii. As on date of this Draft Letter of Offer, Ms. Megha Bansal is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Ms. Megha Bansal does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Ms. Megha Bansal holds 75,100 Equity Shares representing 2.42% of the fully paid up Equity Share Capital of the Target Company. Besides this, she is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
- vi. Ms. Megha Bansal has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

f. Details of Pankaj Kumar Bansal HUF (PAC 4):

- i. Pankaj Kumar Bansal HUF is a Hindu Undivided Family and incorporated on 01st day of June 1991. Mr. Pankaj Kumar is the karta of Pankaj Kumar Bansal HUF.

- ii. Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, having office at B-10, Gharonda Apartments, Srestha Vihar, Delhi-110092, Mobile No.: +91-9810973339, Email Id: ykmaghan@rediffmail.com, has certified, vide certificate dated April 24, 2017 that the net worth of Pankaj Kumar Bansal (HUF) is Rs. 26,41,336.00 (Rupees Twenty Six Lakh Forty One Thousand Three Hundred and Thirty Six only).
- iii. As on the date of this Draft Letter of Offer, Pankaj Kumar Bansal (HUF) holds 59000 (1.90%) Equity Shares in the Target Company.
- iv. Pankaj Kumar Bansal HUF has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

g. Details of Mrs. Niraj Jain (PAC 5):

- i. Mrs. Niraj Jain aged about 48 years, wife of Shri Manoj Kumar Jain is residing at C 34, Ground Floor, South Extension, Part-2, Andrewsganj, Defence Colony, New Delhi-110049, Mobile no.: +91-9911076902. She is Law graduate and having 20 years of experience in the field of legal and administration. The Pac 5 has not changed / altered her name at any point of time during her life.
- ii. Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates, Chartered Accountant, having office at 302, Gold Plaza, 2057/39, Gurudwara Road, Karol Bagh, New Delhi- 110005, Mobile No.: +91-9811336502, Email Id: ck_goyal@yahoo.com, has certified, vide certificate dated April 24, 2017 that the net worth of Mrs. Niraj Jain is Rs. 3,86,32,298.06 (Rupees Three Crore Eighty Six Lakh Thirty Two Thousand Two Hundred Ninety Eight and six paise only).
- iii. As on date of this Draft Letter of Offer, Mrs. Niraj Jain is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mrs. Niraj Jain does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mrs. Niraj Jain holds 76100 Equity Shares representing 2.45% of the fully paid up Equity Share Capital of the Target Company. Besides this, she is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
- vi. Mrs. Niraj Jain has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

h. Details of Ms. Mahima Jain (PAC 6):

- i. Ms. Mahima Jain aged about 23 years, daughter of Shri Manoj Kumar Jain is residing at C 34, Ground Floor, South Extension, Part-2, Andrewsganj, Defence Colony, New Delhi-110049, Mobile no.: +91-9999202538. She is a graduate and having experience spanning over 3 years in field of Administration. The Pac 6 has not changed / altered her name at any point of time during her life.
- ii. Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates, Chartered Accountant, having office at 302, Gold Plaza, 2057/39, Gurudwara Road, Karol Bagh, New Delhi- 110005, Mobile No.: +91-9811336502, Email Id: ck_goyal@yahoo.com, has certified, vide certificate dated April 24, 2017 that the net worth of Ms. Mahima Jain is Rs. 43,90,583.00 (Rupees Forty Three Lakh Ninety Thousand Five Hundred and Eighty Three only).
- iii. As on date of this Draft Letter of Offer, Ms. Mahima Jain is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Ms. Mahima Jain does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Ms. Mahima Jain holds 81375 Equity Shares representing 2.62% of the fully paid up Equity Share Capital of the Target Company. Besides this, she is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
- vi. Ms. Mahima Jain has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

i. Details of M K Jain (HUF) (PAC 7):

- i. M K Jain (HUF) is a Hindu Undivided Family and incorporated on 22nd day of April 1994. Mr. Manoj Kumar Jain is the Karta of M K Jain (HUF).
- ii. Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates, Chartered Accountant, having office at 302, Gold Plaza, 2057/39, Gurudwara Road, Karol Bagh, New Delhi- 110005, Mobile No.: +91-9811336502, Email Id: ck_goyal@yahoo.com, has certified, vide certificate dated April 24, 2017 that the net worth of M K Jain (HUF) is Rs. 53,70,626.41 (Rupees Fifty Three Lakh Seventy Thousand Six Hundred Twenty Six and Forty One Paise only).
- iii. As on the date of this Draft Letter of Offer, M K Jain (HUF) holds 50000 (1.61%) Equity Shares in the Target Company.
- iv. M K Jain (HUF) has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

j. Other Information about the Acquirers

- i. There is no agreement amongst the Acquirers, PACs and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.
- ii. Mrs. Lalita Bansal is the wife of Mr. Pankaj Kumar, Mr. Apoorve Bansal is the son of Mr. Pankaj Kumar, Ms. Megha Bansal is the daughter of Mr. Pankaj Kumar and Mr. Pankaj Kumar is the Karta of Pankaj Kumar Bansal (HUF).
- iii. Mrs. Niraj Jain is the wife of Mr. Manoj Kumar Jain, Ms. Mahima Jain is the daughter of Mr. Manoj Kumar Jain and Mr. Manoj Kumar Jain is the Karta of M K Jain (HUF).
- iv. Mr. Pankaj Kumar and Mr. Manoj Kumar Jain are not related to each other.

5. BACKGROUND OF F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED (HEREINAFTER REFERRED TO AS "TARGET" OR "TARGET COMPANY" OR "FMEC"):

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

- 5.1 F Mec International Financial Services Limited, a Company originally incorporated as a Private Company under the Companies Act, 1956 vide Certificate of Incorporation dated June 07, 1993 as F Mec Investments & Financial Services Private Limited. Subsequently, the Company was converted to a public limited company vide fresh certificate of incorporation dated May 18, 1995. Further, the name of Company was changed from F Mec Investments & Financial Services Limited to F Mec International Financial Services Limited vide fresh certificate of incorporation consequent upon name change dated May 23, 1995.
- 5.2 Presently the Target Company is engaged into the business of capital markets including investment, finance, securities trading and financial services and the Target Company is registered with Reserve Bank of India (hereinafter referred to as "RBI") as a Non Banking Financial Company. Reserve Bank of India has granted registration vide its registration no. 14.01129 dated September 11, 1998 with a condition that the Target Company shall not accept public deposits.
- 5.3 Presently, the registered office of the Target Company is situated at IInd Floor, Central Bank Building, 13-B, Netaji Subhash Marg, Daryaganj, Delhi-110002.
- 5.4 As on date of this Draft Letter of Offer, the Authorized Share Capital of the Target Company is Rs. 3,50,00,000 (Three Crore Fifty Lakh Only) consisting of 35,00,000 (Thirty Five Lakhs) Equity Shares of Rs. 10.00 (Rupees Ten Only) each and the Issued, Subscribed and Paid-up Capital of the Target Company is Rs. 3,10,07,000 (Three Crore Ten Lakhs and Seven Thousands only) consisting of 31,00,700 (Thirty One Lakh and Seven Hundred) Equity Shares of face value of Rs.10.00 (Rupees Ten Only) each..
- 5.5 The share capital structure of the Target Company is as under:

Paid up Equity shares of Target Company	No. of shares/ voting rights	% of shares/ voting rights
Fully Paid up Equity Shares	31,00,700	100
Partly Paid up Equity Shares	Nil	Nil
Total Paid up Equity Shares	31,00,700	100
Total voting rights in the Target Company	31,00,700	100

- 5.6 All the Shares of the Target Company are listed on BSE Limited ("BSE"). The Equity Shares of the Target Company were also listed on the Delhi Stock Exchange Limited ("DSE"). However, SEBI has passed an Order No. WTM/SR/SEBI /MRD-DSA/04/01/2017 dated January 23, 2017 providing exit to Delhi Stock Exchange Limited ("DSE").
- 5.7 The Target Company does not have any partly paid Equity Shares. There are no outstanding warrants or options or similar instrument, convertible into Equity Shares at a later stage.
- 5.8 As on the date of this Draft Letter of Offer, the Board of Directors of the Target Company comprises of 4 (Four) Directors. The details of the Board of Directors are as below:

Name of Directors	DIN	Designation	Date of Appointment
Ramesh Kumar	00339542	Director	10/12/2003
Bimal Aggarwal	00361883	Managing Director	01/04/2002
Rachna Agarwal	02604852	Director	01/11/2014
Rohit Agrawal	06490313	Director	30/03/2015

Note: As on the date of this Draft Letter of Offer, there are no persons representing the Acquirers including PACs on the Board of Directors of the Target Company.

- 5.9 There has been no merger, de-merger and spin off in the last three years involving the Target Company.
- 5.10 The financial information of the Target Company as per the audited accounts for the last three financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and unaudited & certified for the 9 months period ended December 31, 2016 are as follows:

Profit & Loss Account

(Figures in Rupees Lakh.)				
Profit & Loss Statement	9 Months period ending (Un-audited & certified)	12 Months period ending March 31 (Audited)		
	December 31, 2016	2016	2015	2014
Income from Operations	47.03	25.54	7.60	33.39
Other Income		0.25	0.00	0.00
Total Income	47.03	25.79	7.60	33.39
Total Expenditure	10.17	24.95	6.54	0.42
Profit before Depreciation, Interest & Tax	36.86	0.84	1.06	32.97
Depreciation	0.00	0.00	0.00	0.00
Interest	0.00	0.00	0.00	0.00
Profit before Tax & Extra Ordinary Items	36.86	0.84	1.06	32.97
Extra Ordinary Items	0.00	0.00	0.00	0.00
Profit Before Tax	36.86	0.84	1.06	32.97
Provision for Tax	0.00	0.28	0.40	2.31
Deferred Tax	0.00	0.00	0.00	0.00
Profit After Tax	36.86	0.57	0.66	30.66

Balance Sheet Statement

(Figures in Rupees Lakh.)				
Balance Sheet Statement	9 Months period ending (Un-audited & certified)	12 Months period ending March 31 (Audited)		
	December 31, 2016	2016	2015	2014
Sources of Funds				
Paid-up Share Capital	310.07	310.07	310.07	310.07
Reserves & Surplus (Excluding Revaluation Reserve)	38.56	1.69	1.13	0.47
Reserves set apart for disputed liabilities	0.00	0.00	0.00	0.00
Secured Loan	0.00	0.00	0.00	0.00
Unsecured Loan	5.84	10.34	0.34	0.34
Current Liabilities	5.79	6.95	2.42	5.72
Deferred Tax Liability	0.00	0.00	0.00	0.00
Total	360.25	329.05	313.95	316.60
Uses of Funds				
Net Fixed Assets	0.00	0.00	0.00	0.00
Long Terms Loans & Advances	241.30	226.24	202.98	179.40

(Figures in Rupees Lakh.)				
Balance Sheet Statement	9 Months period ending (Un-audited & certified)	12 Months period ending March 31 (Audited)		
	December 31, 2016	2016	2015	2014
Investments- Long Term	83.65	83.65	92.65	109.38
Investments- Current	0.00	0.00	0.00	0.00
Current Assets	33.94	17.80	16.96	26.46
Deffered Tax Assets	1.36	1.36	1.36	1.36
Miscellaneous Expenses not written off	0.00	0.00	0.00	0.00
Total	360.25	329.05	313.95	316.60

Other Financial Data

Other Financial Data	9 Months period ending (Un-audited & certified)	12 Months period ending March 31 (Audited)		
	December 31, 2016	2016	2015	2014
Net Worth (in Rs. Lakh.)	348.63	311.77	311.20	310.54
Dividend (in %)	0	0	0	0
Earning Per Share (in Rs. per Share)	1.19	0.0184	0.0212	0.99
Return on Net worth (in %)	10.57	0.18	0.21	9.87
Book Value (in Rs. per Share)	11.24	10.06	10.04	10.02

(Source- As certified by Mr. Sanjay Kumar Singhal (Membership No. 503475), Partner of M/s Sanjay K Singhal & Co, Chartered Accountants, Statutory Auditors of the Target Company, having Office at B-415, Ground Floor, Nirman Vihar, Delhi-110092, Ph: +91-11-22469765, Email Id: casanjaysinghal@gmail.com vide certificate dated April 24, 2017)

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

Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shares /voting rights agreed to be acquired which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%*	No.	%*	No.	%*
(1) Promoter Group								
a. Parties to agreement, if any								
Suraj Parkash Aggarwal	141325	4.56	(141325)	(4.56)	0	0.00%	0	0.00%
Bimal Aggarwal	68000	2.19	(68000)	(2.19)	0	0.00%	0	0.00%
Sumat Parkash Aggarwal	134050	4.32	(134050)	(4.32)	0	0.00%	0	0.00%
Rachna Aggarwal	18500	0.60	(18500)	(0.60)	0	0.00%	0	0.00%
Sangeeta Aggarwal	3500	0.11	(3500)	(0.11)	0	0.00%	0	0.00%
b. Promoters other than (a) above	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total 1 (a+b)	365375	11.78%	(365375)	(11.78%)	0	0.00%	0	0.00%
(2) Acquirers and PACs								
a. Acquirers								
Pankaj Kumar	72300	2.33	365375*	11.78	806182	26.00%	1367857	44.11
Manoj Kumar Jain	124000	4.00						
Total 2a	196300	6.33%	365375*	11.78%	806182*	26.00%*	1367857	44.11
b. PACs								
Lalita Bansal	51300	1.65	0	0.00	0	0.00	51300	1.65
Apoorve Bansal	77800	2.51	0	0.00	0	0.00	77800	2.51
Megha Bansal	75100	2.42	0	0.00	0	0.00	75100	2.42
Pankaj Kumar Bansal HUF	59000	1.90	0	0.00	0	0.00	59000	1.90
Niraj Jain	76100	2.45	0	0.00	0	0.00	76100	2.45
Mahima Jain	81375	2.62	0	0.00	0	0.00	81375	2.62
M K Jain HUF	50000	1.61	0	0.00	0	0.00	50000	1.61
Total 2b	470675	15.18%					470675	15.18%
Total 2(a+b)	666975	21.51	365375*	11.78%	806182*	26.00%	1838532	59.29
(3) Parties to agreement other than (1)& (2)	0	0.00%	0	0.00%	0	0.00%	0	0.00%

Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shares /voting rights agreed to be acquired which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%*	No.	%*	No.	%*
Total 3	0	0.00%	0	0.00%	0	0.00%	0	0.00%
(4) Public (other than parties to agreement, Acquirers & PAC)								
a) Individuals	1870550	60.33%	0	0.00%	(806182)	26.00%	1262168	40.71%
b) Any Others	197800	6.38%	0	0.00%				
Total (4) (a + b)	2068350	66.71%	0	0.00%	(806182)	26.00%	1262168	40.71%
Total No. of Shareholders in Public category (except the Acquirers and Seller)	515	97.35%						
GRAND TOTAL (1+2+3+4)	3100700	100.00%	0	0.00%	0	0.00%	3100700	100.00%

* The number of Equity Shares to be acquired by Acquirer 1 and Acquirer 2, will be decided post completion of the Open Offer.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of offer price

6.1.1 This Open Offer is pursuant to Direct Acquisition.

6.1.2 The entire present paid up Equity Share Capital of the Target Company is currently listed on BSE Limited ("BSE"). The Equity Shares of the Target Company were also listed on the Delhi Stock Exchange Limited ("DSE"). However, SEBI has passed an Order No. WTM/SR/SEBI /MRD-DSA/04/01/2017 dated January 23, 2017 providing exit to Delhi Stock Exchange Limited ("DSE").

6.1.3 The total trading turnover in the Equity Shares of the Target Company on the Stock Exchange based on trading volume during the twelve calendar months prior to the month of Public Announcement (i.e., from April 01, 2016 to March 31, 2017) is as under::

Name of the Stock Exchanges	Total No. of Equity Shares traded during the Twelve months prior to the month of PA	Total No. of Equity Shares listed	Total Trading Turnover (as % of total Equity Shares listed)
BSE	100	3100700	0

6.1.4 Based on the above information, Equity Shares of Target Company are not frequently traded on the Stock Exchange within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

6.1.5 The Offer Price of Rs. 9.00/- (Rupees Nine Only) has been determined taking into account the parameters as set out under Regulation 8(2) of SEBI (SAST) Regulations, as under:

Sl No.	Particulars	Price per Equity Share
1	Negotiated Price under the SPA	Rs. 3.05 per share
2	The volume-weighted average price paid or payable for acquisition by the Acquirers or by PACs during 52 weeks immediately preceding the date of PA	Rs. 3.00 per Share
3	Highest price paid or payable for acquisitions by the Acquirers or by PACs during 26 weeks immediately preceding the date of PA	Rs. 3.00 per Share
4	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, provided such shares are frequently traded	Not Applicable, as the equity shares are not frequently traded
5	Fair Value of Equity Shares of Target Company, as certified by Mr. Yougash Kumar Maghan (Membership No. 088050), Chartered Accountant, vide certificate dated April 24, 2017	Rs. 8.07 per Share
6	The Offer Price per Equity Share given by the Acquirers for acquisition of Open Offer Shares in cash	Rs. 9.00 per Share

* **Source** - Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, having office at B-10, Gharonda Apartments, Srestha Vihar, Delhi-110092, Mobile No.: +91-9810973339, Email Id: ykmaghan@rediffmail.com, has certified, vide certificate dated April 24, 2017 has certified the workings of offer price, considering the Hon'ble Supreme Court's decisions in Hindustan Lever Employees' Union versus Hindustan Lever Limited (1995), reported at (83 Companies case 30) by using i) Net asset value method; and ii) Price Earning Capacity value method.

- 6.1.6 In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 9/- per Equity Share as mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.
- 6.1.7 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters. The Offer Price is subject to adjustment in accordance with Regulation 8(9) of the Takeover Regulations if any corporate actions fall prior to three working days before commencement of the Tendering Period.
- 6.1.8 The Acquirers and the PACs shall disclose during the offer period, every acquisition made by them of any equity shares of the Target Company, to the Stock Exchange and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6).
- 6.1.9 If the Acquirers and the PACs acquires Equity Shares during the period of twenty six weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in this 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, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchange, not being negotiated acquisition of Equity Shares in any form
- 6.1.10 There has been no revision in the Offer Price or to the size of this Offer as on the date of this Draft Letter of Offer.
- 6.1.11 An upward revision to the Offer Price or to the Offer Size, if any, on account of future purchases/ competing Offer or otherwise, may be done at any time prior to the commencement of the last 3 working days before the date of commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers and the PACs shall (i) make further deposit into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform BSE, SEBI and the Target Company at its Registered Office of such revision.
- 6.1.12 In case the Acquirers and the PACs acquire or agree to acquire any 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 SEBI (SAST) Regulations. However, the Acquirers and the PACs shall not acquire any equity shares of the Target Company after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

6.2 Financial Arrangements:

- 6.2.1 The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of upto 806182 (Eight Lakh Six Thousand One Hundred and Eighty Two Only) Equity Shares at a price of Rs. 9/- (Rupee Nine only) per Equity Share is Rs. 72,55,638/- (Rupees Seventy Two Lakh Fifty Five Thousand Six Hundred and Thirty Eight only). ("**Maximum Consideration**")..
- 6.2.2 The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full, out of their own sources/networth and no borrowings from any Bank and/or Financial Institutions are envisaged. Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, having office at B-10, Gharonda Apartments, Srestha Vihar, Delhi-110092, Mobile No.: +91-9810973339, Email Id: ykmaghan@rediffmail.com, has certified, vide certificate dated April 24, 2017 that sufficient resources are available with the Acquirers for fulfilling the obligations under this Offer in full.
- 6.2.3 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account in the name and style of "**FMEC OPEN OFFER ESCROW ACCOUNT**" bearing number 000405114839, with ICICI Bank Limited, Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai- 400020 (hereinafter referred to as the "Escrow Banker") and deposited therein an amount of Rs. 18,20,000/- (Rupees Eighteen Lakh Twenty Thousands only), in cash, being more than 25% of the Maximum Consideration payable under the Offer
- 6.2.4 The Manager to the Offer is authorized to operate the above mentioned Escrow Account and has been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.5 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations. Further, the Manager to the Offer confirms that firm arrangement for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions

- 7.1.1 The Offer is not conditional and is not subject to minimum level of acceptances.
- 7.1.2 Letter of Offer will be dispatched to all the Equity Shareholders of Target Company, whose names appear in its Register of Members on Friday, June 2, 2017, the Identified Date, except the Acquirers and sellers.
- 7.1.3 The Offer is subject to the terms and conditions set out in the Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4 The Letter of Offer alongwith the Form of Acceptance cum Acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
- 7.1.5 This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4 of this Letter of Offer. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6 Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.8 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions/ orders regarding these Equity Shares are not received along with the equity shares tendered under the Offer.

7.2 **Locked in shares:** To the best of our knowledge, as on the date of this Draft Letter of Offer, there are no locked in shares in the Target Company.

7.3 Persons eligible to participate in the Offer

All owner (registered or unregistered) of Equity Shares of the Target Company (except Acquirers, PACs and Sellers of the Target Company) are eligible to participate in the offer anytime before the closure of the Offer.

7.4 Statutory approvals and other approvals required for the offer

- 7.4.1 To the best of knowledge and belief of the Acquirers, as on date of this DLOO, to the best of the knowledge of the Acquirers and the PACs, there are no statutory or other approvals which are required to implement this Offer except the Reserve Bank of India in terms of Non-Banking Financial Companies (Approval of Acquisition or Transfer of Control) Directions, 2015 issued in terms of Notification No. DNBR (PD) CC. No. 065/03.10.001/2015-16 dated July 09, 2015 ("**RBI Approval**"). Further, in case of any regulatory or statutory or other approvals being required at a later date before the closure of the Tendering Period, the Offer shall be subject to all such approvals and the Acquirers and the PACs shall make the necessary applications for such approvals.
- 7.4.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Equity Shares tendered in this Offer.
- 7.4.3 Subject to the receipt of statutory and other approvals, if any, the Acquirers and the PACs shall complete all requirements relating to this Offer including payment to the shareholders who have accepted the Open Offer within 10 working days from the date of Closure of the Tendering Period.
- 7.4.4 In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers and the PACs to diligently pursue such approvals, grant extension of time for the purpose of making the payments, subject to the Acquirers and the PACs agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. However, where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers and the PACs have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 The Open Offer will be implemented by the Acquirers 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.
- 8.2 BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.
- 8.3 The facility for acquisition of shares through stock exchange mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window (Acquisition Window).
- 8.4 The Acquirer has appointed M/s. K K Securities Limited ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.
- 8.5 The Contact details of the Buying Broker are as mentioned below:

Name: K. K. Securities Limited
Communication Address: 76-77, Scindia House, Janpath, New Delhi - 110001
Contact Person: Mr. Sanjay Bansal;
Phone: 011-46890000, 9811168570;
Email ID: kksl@kksecurities.com

All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), during the normal trading hours of the secondary market during the Tendering Period.

- 8.6 Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares.
- 8.7 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.
- 8.8 Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).
- 8.9 **Procedure for tendering Equity Shares held in dematerialised Form:**
- a. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their broker indicating to their broker the details of Equity Shares they intend to tender in Open Offer.
 - b. The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
 - c. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
 - d. The 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 Offer.
 - e. Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the exchange bidding system to the Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered etc.
 - f. The Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

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

All non-resident Shareholders (i.e. Shareholders not residing in India) holding physical and/or demat Equity Shares and all resident Shareholders (i.e. Shareholders residing in India) holding Equity Shares in physical mode are mandatorily required to fill the Form of Acceptance-Cum-Acknowledgement. The non-resident Shareholders holding Equity Shares in demat mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to the Registrar to the Offer at their address given on the cover page of this DLOF. The Shareholders (resident and non-resident) holding Equity Shares in physical mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to their respective Selling Broker who shall forward these documents to the Registrar to the Offer.

8.10 Procedure to be followed by registered Shareholders holding Equity Shares in the physical form

8.10.1 Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including:

- a. The Form of Acceptance-cum-Acknowledgement duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares
- b. Original share certificates
- c. 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 Acquirer
- d. Self-attested copy of the Shareholder's PAN Card;
- e. Any other relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the Equity Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement
 - Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased
 - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

8.10.2 In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, voter identity card or passport.

8.10.3 Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.

8.10.4 After placement of order, as mentioned in paragraph 8.10.3, the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 8.10.1 (i) 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 superscribed as "**F Mec International Financial Services Limited– Open Offer**". One copy of the TRS along with supporting documents will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

8.10.5 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 by the Acquirer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the stock exchanges shall display such orders as unconfirmed physical bids "Once, Registrar to the Offer confirms the orders it will be treated as Confirmed Bids".

8.10.6 In case any person has submitted Equity Shares in physical form for dematerialisation, such Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date.

8.11 Modification / cancellation of orders will not be allowed during the period the Offer is open.

The cumulative quantity tendered shall be made available on the website of the Stock Exchanges throughout the trading session and will be updated at specific intervals during the Tendering Period.

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

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. A Shareholder may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date.

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) or BSE website (www.bseindia.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificate and Form SH 4 in case of shares being held in physical form. Such shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

8.13 Non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any shareholder, shall not invalidate the Offer in any way.

8.14 The acceptance of the Offer made by the Acquirers is entirely at the discretion of the Shareholders of the Target Company. The Acquirers does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirers will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Shareholders are advised to adequately safeguard their interest in this regard

8.15 **Acceptance of Equity Shares**

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the 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 Shareholder shall not be less than the minimum marketable lot.

8.16 **Settlement Process**

8.16.1 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 on the basis of Shares transferred to the Clearing Corporation

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

8.16.3 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 escrow account which will be opened by the Acquirer.

8.16.4 In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released directly to the Public Shareholders.

8.16.5 The Seller Broker(s) would then issue contract note for the shares accepted in the Offer.

8.16.6 Any excess physical shares, to the extent tendered but not accepted, will be returned back to the Public Shareholder(s).

8.17 **Settlement of Funds / Payment Consideration**

8.17.1 The settlement of fund obligation for demat and physical shares shall be effected directly by the Clearing Corporation.

8.17.2 The payment will be made by the Buying Broker for settlement. For Equity Shares accepted under the Offer, the Public Shareholder will receive funds payout in their settlement bank account.

8.17.3 The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder.

8.17.4 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 Public Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Acquirers accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholder.

8.17.5 In light of the Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI, the procedure for acceptance and settlement of the Offer may be revised in accordance with the directions / instructions issued by the Stock Exchange.

8.18 **COMPLIANCE WITH TAX REQUIREMENTS:**

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

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH THE ON-MARKET TENDER OFFER ROUTE AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER.

8.19 Tax deduction at source:

8.19.1 In case of resident Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirers shall not deduct tax on the consideration payable to resident Shareholders pursuant to the Offer.

8.19.2 In the case of non-resident Shareholders, since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident Shareholder. It is therefore recommended that the non-resident Shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

8.20 Interest payment, if any: In case of interest payments by the Acquirers for delay in payment of Offer consideration or a part thereof, the Acquirers will deduct taxes at source at the applicable rates as per the Income Tax Act.

8.21 If the resident and non-resident 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 Offer.

For Resident 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)
- 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 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 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 Shareholder belongs, by the Acquirer.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

8.22 Issue of tax deduction at source certificate

The Acquirers will issue a certificate in the prescribed form to the Equity Shareholders (resident and non- resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars.

The Acquirers and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 160 (Basement), Vinoba Puri, Lajpat Nagar –II, New Delhi- 110024 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

- a) Certificate dated April 24, 2017 issued by Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, certifying the net worth of Mr. Pankaj Kumar.
- b) Certificate dated April 24, 2017 issued by Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates, Chartered Accountant, certifying the net worth of Mr. Manoj Kumar Jain.
- c) Certificate dated April 24, 2017 issued by Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, certifying the net worth of Mrs. Lalita Bansal.
- d) Certificate dated April 24, 2017 issued by Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, certifying the net worth of Mr. Apoorve Bansal.
- e) Certificate dated April 24, 2017 issued by Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, certifying the net worth of Ms. Megha Bansal.
- f) Certificate dated April 24, 2017 issued by Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, certifying the net worth of Pankaj Kumar Bansal HUF.

- g) Certificate dated April 24, 2017 issued by Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates, Chartered Accountant, certifying the net worth of Mrs. Niraj Jain.
- h) Certificate dated April 24, 2017 issued by Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates Chartered Accountant, certifying the net worth of Ms. Mahima Jain.
- i) Certificate dated April 24, 2017 issued by Mr. Chandra Kumar Goyal (Membership No. 090088), Partner of M/s KPMC & Associates, Chartered Accountant, certifying the net worth of M K Jain HUF.
- j) Certificate dated April 24, 2017 issued by Mr. Yougesh Kumar Maghan (Membership No. 088050), Chartered Accountant, confirming that the Acquirers have adequate financial resources available for meeting their obligations under the Open Offer.
- k) Certificate dated April 24, 2017 issued by Mr. Sanjay Kumar Singhal (Membership No. 503475), Partner of M/s Sanjay K Singhal & Co, Chartered Accountants, certifying the financial data of F Mec International Financial Services Limited for the 9 (Nine) months period ended December 31, 2016 and Audited financials for the years ended March 31, 2016, 2015 and 2014.
- l) Audited Annual Reports of the Target Company for the years ended March 31, 2016, 2015, 2014.
- m) Copy of Escrow Agreement entered between Mr. Pankaj Kumar, Mr. Manoj Kumar Jain (collectively referred to as the "Acquirers"), Corporate CapitalVentures Private Limited (the "Manager to the Offer") and ICICI Bank Limited ("Escrow Bank").
- n) Letter from ICICI Bank Limited confirming the cash deposit of Rs. 18,20,000/- (Rupees Eighteen Lakh Twenty Thousand only) in the Escrow Account with a lien marked in favour of the Manager to the Offer.
- o) Copy of Share Purchase Agreement dated April 24, 2017 between the Acquirers and the Sellers which triggered the Open Offer.
- p) Copy of Agreement between the Acquirers and the Registrar to the Offer for the purpose of the Offer.
- q) Copy of Memorandum of Understanding dated April 24, 2017 between the Acquirers and Manager to the Offer.
- r) Copy of the PA, the published copy of DPS, and corrigendum if any.
- s) Published Copy of the Offer Opening Public Announcement published by the Manager to the Offer on behalf of the Acquirers.
- t) Published Copy of the recommendation made by the Committee of the Independent Directors of the Target Company.
- u) Copy of the letter from SEBI dated [●] containing its comments on the Draft Letter of Offer.

10. DECLARATION BY THE ACQUIRERS ALONG WITH PACS

The Acquirers along with PACs jointly and severally, accept full responsibility for the information contained in this Draft Letter of Offer, including the Form of Acceptance cum Acknowledgement and also for ensuring the compliance with the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereto.

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

For and on behalf of the Acquirers

(PANKAJ KUMAR)

(MANOJ KUMAR JAIN)

For and on behalf of the PACs

(LALITA BANSAL)

(APOORVE BANSAL)

(MEGHA BANSAL)

(PANKAJ KUMAR BANSAL (HUF))

(NIRAJ JAIN)

(MAHIMA JAIN)

(M K JAIN (HUF))

Place: New Delhi

Date: May 06, 2017