

## LETTER OF OFFER

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

This Letter of Offer is sent to you as a shareholder(s) of **Envair Electrodyne Limited** (hereinafter referred as “**EEL**” or “**Target Company**”). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over the 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 (Offer)

By

**Harish Agarwal (Acquirer 1)**

**Residence:** H. No. 62, Sector – 7, Panchkula, Haryana – 134109

**Tel No.** 98156 04545

**Email:** [harishaga@gmail.com](mailto:harishaga@gmail.com)

And

**Anil Nagpal (Acquirer 2)**

**Residence:** H. No. 8, Sector – 7, Panchkula, Haryana – 134109

**Tel No.** 941706000

**Email:** [anilnagpal@alliance-world.com](mailto:anilnagpal@alliance-world.com)

And

**Gian Aggarwal (Acquirer 3)**

**Residence:** B/313 Saraswati Vihar, Pitampura, Delhi 110034

**Tel No.** 9910069018

**Email:** [gc@vineygems.com](mailto:gc@vineygems.com)

Together with

**M/s Alliance India(PAC)**

**Registered office:** Khasra No. 1348, Village Bhatolikalan, EPIP, Phase - I, Jharmajri, Baddi 124103

**Tel No.** 0127-2790343/2790838

**Email:** [imschd@alliance-world.com](mailto:imschd@alliance-world.com)

**Harish Agarwal, Anil Nagpal and Gian Aggarwal referred to as the “Acquirers” along with M/s Alliance India (Person Acting in Concert) (Herein after referred to as “PAC”)**

To

**THE PUBLIC SHAREHOLDERS OF ENVAIR ELECTRODYNE LIMITED**

Having its Registered Office at 117 General Block, MIDC Bhosari Pune 411026, Maharashtra, India

**Tel No:** +91-020-30688117 / 118; **Email:** [mdu@envairelectrodyne.com](mailto:mdu@envairelectrodyne.com)



**ACQUIRE UP TO 7,90,400 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (“EQUITY SHARES”) REPRESENTING IN AGGREGATE 26.00% OF THE TOTAL PAID UP AND VOTING EQUITY ENVAIR ELECTRODYNE LIMITED, FOR CASH, AT A PRICE OF RS. 32.50 (RUPEES THIRTY-TWO AND PAISE FIFTY ONLY) PER EQUITY SHARE OF RS. 10/- EACH (“OFFER PRICE”).**

#### PLEASE NOTE:

- This Open Offer is being made by the Acquirers along with PACs pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 for substantial acquisition of Equity Shares and voting rights accompanied by change in control over the management of the Target Company.
- This Open Offer is not conditional upon any minimum level of acceptance in terms of SEBI (SAST) Regulations, 2011.

- **This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.**
- As on the date of this LOF, to the best of the knowledge and belief of the Acquirers and PACs, there are no statutory or other approvals required to implement the Offer. If any statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirer and PACs will not proceed with the Offer in the event that such statutory approvals becoming applicable prior to completion of the Offer are refused, in terms of Regulation 23 of SEBI (SAST) Regulations, 2011.
- The Acquirers and PACs shall complete all procedures relating to this Offer within 10 (Ten) working days from the date of closure of the Tendering Period, including payment of consideration to those Public Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirer
- In case of delay in receipt of any statutory approval(s) becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to the Acquirers and PAC for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers or PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011. Further, if delay occurs on account of wilful default by the Acquirer and PACs in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations, 2011 will also become applicable and the amount lying in the escrow account shall become liable to forfeiture. Provided where the statutory approvals extend to some but not all Public Shareholders, the Acquirer will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to commencement of the Tendering Period i.e. any time up to May 28, 2018 in terms of Regulation 18 (4) of SEBI (SAST) Regulations, 2011, the same would be informed by way of an announcement in the same newspapers where the Detailed Public Statement was published. The revised price payable pursuant to such revision of the Offer Price would be payable for all the Equity Shares validly tendered at any time during the Tendering Period and accepted under the Offer. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the Detailed Public Statement was published.
- There is no competing offer as on the date of this Letter of Offer
- A copy of Public Announcement ('PA'), Detailed Public Statement ('DPS'), Draft Letter of Offer and Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will be available on the website of Securities and Exchange Board of India ('SEBI') at [http:// www.sebi.gov.in](http://www.sebi.gov.in)

**All future correspondence should be addressed to the Manager / Registrar to the Offer at the following addresses:**

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
	
<p><b>FEDEX SECURITIES LIMITED</b>            305, Enterprise Centre, Nehru Road, Vile Parle (East),            Mumbai 400099, Maharashtra, India  <b>Tel No.:</b> 022 26117553 / 26178936  <b>Fax No.:</b> 022 2618 6966  <b>E-mail:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a>  <b>Website:</b> <a href="http://www.fedsec.in">www.fedsec.in</a>  <b>Contact Person:</b> Rinkesh Saraiya  <b>SEBI Registration Number:</b> INM000010163  <b>Investor Grievance E-mail:</b> <a href="mailto:mb@fedsec.in">mb@fedsec.in</a></p>	<p><b>UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED</b>            21 Shakil Niwas Near Satya Saibaba Temple,            Mahakali caves Road, Andheri (East) Mumbai – 400 093  <b>Tel No.:</b> 022-2820-7203/05 022-2825-7641  <b>E-mail:</b> <a href="mailto:khade@unisec.in">khade@unisec.in</a>  <b>Website:</b> <a href="http://www.unisec.in">www.unisec.in</a>  <b>Contact Person:</b> Sunil Khade  <b>SEBI Registration Number:</b> INR000004082</p>

## SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Date	Day	Date	Day
Date of Public Announcement	March 16, 2018	Friday	March 16, 2018	Friday
Date of publishing of Detailed Public Statement	March 22, 2018	Thursday	March 22, 2018	Thursday
Last date of filing Draft Letter of Offer with SEBI	April 02, 2018	Monday	April 02, 2018	Monday
Last date for public announcement for competing offer(s)	April 16, 2018	Monday	April 16, 2018	Monday
Last date for receipt of comments from SEBI on the Draft Letter of Offer	April 23, 2018	Monday	May 15, 2018	Tuesday
Identified Date*	April 26, 2018	Thursday	May 17, 2018	Thursday
Date by which Letter of Offer to be dispatched to the Shareholders	May 04, 2018	Friday	May 24, 2018	Thursday
Last date for upward revision of the Offer Price and/or the Offer Size	May 08, 2018	Tuesday	May 28, 2018	Monday
Last date by which the committee of Independent Directors of the Target Company shall give its recommendations	May 09, 2018	Wednesday	May 29, 2018	Tuesday
Advertisement of schedule of activities for Open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company at its registered office	May 10, 2018	Thursday	May 30, 2018	Wednesday
Date of Commencement of Tendering Period (Offer Opening Date)	May 11, 2018	Friday	May 31, 2018	Thursday
Date of Expiration of Tendering Period (Offer Closing Date)	May 25, 2018	Friday	June 13, 2018	Wednesday
Last date of communicating of rejection / acceptance and payment of consideration for accepted tenders / return of unaccepted shares	June 08, 2018	Friday	June 27, 2018	Wednesday
Issue of post offer advertisement	June 15, 2018	Friday	July 04, 2018	Wednesday
Last date for filing of final report with SEBI	June 15, 2018	Friday	July 04, 2018	Wednesday

***\*Date falling on the 10th (Tenth) working day prior to commencement of the Tendering Period, for the purposes of determining the eligible shareholders of the Target Company to whom the LOF shall be sent. It is clarified that all the Public Shareholders are eligible to participate in this Offer at any time prior to the closure of the Tendering Period***

***RISK FACTORS RELATING TO THE TRANSACTION, THE PROPOSED OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRERS AND PAC:***

The risk factors set forth below pertain to the underlying transaction, this Offer and are not intended to be a complete analysis of all risks in relation to this Offer or in association with the Acquirer or the Target Company but are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Shareholder(s) in this Offer but are merely indicative. Shareholder(s) are advised to consult their stock brokers, tax advisers and/ or investment advisers/consultants, for analysing all the risks with respect to their participation in this Offer.

**1. Relating to transaction**

Acquisition of SPA Shares is subject to the applicable provisions of SEBI (SAST) Regulations, 2011 and the SPA in case the provisions of the SEBI (SAST) Regulations or the SPA are not satisfactorily complied with for reasons beyond reasonable control of the Acquirers & PAC and consequently the SPA is rescinded, the Acquirers & PAC shall not be able to act upon the acquisition of Equity Shares under the Offer.

**2. Relating to the Offer**

- A. To the best of Acquirer's and PACs' knowledge, the Offer is not subject to the receipt of any statutory, regulatory and or other approvals / no objections. In the event that (a) any statutory approvals are required by the Acquirer and PACs at a later date prior to the completion of this Offer, this Offer shall be subject to such approvals and the Acquirer and PACs shall make the necessary applications for such approvals; (b) there is delay in receipt of any applicable statutory approvals; (c) there is any litigation leading to a stay on the Open Offer; or (d) SEBI instructs the Acquirer and PACs not to proceed with the Open Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares have been accepted in this Open Offer as well as return of the Equity Shares not accepted by the Acquirer and PACs may be delayed. In case of delay, due to non - receipt of statutory approval(s) in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not on account of any wilful default or negligence on the part of the Acquirer and PACs, grant extension for the purpose of completion of this Open Offer subject to Acquirer and PACs agreeing to pay interest to the Public Shareholders, as may be specified by SEBI.
- B. The Acquirers and PACs will not proceed with the Open Offer in the event statutory or other approvals, if any are required, are refused in terms of Regulation 23(1) of SEBI (SAST) Regulations, 2011.
- C. The tendered Equity Shares in physical form with the related documents submitted therewith would be held in trust by the Registrar to the Offer and in credit of the Depositories account until the process of acceptance of Equity Shares tendered and payment of consideration to the Public Shareholders is completed.
- D. Equity Shares cannot be withdrawn once tendered, even if the acceptance of Equity Share under the Offer and dispatch of consideration is delayed. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer and/or Clearing Corporation notwithstanding delay in acceptance of the Equity Shares in this Offer and dispatch of payment consideration. Accordingly, the Acquirers and the PACs make no assurance with respect to the market price of the Equity Shares before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by the Public Shareholders on whether or not to participate in this Offer.

- E. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis as per SEBI (SAST) Regulations, 2011 and hence there is no certainty that all Equity Shares tendered by the Public Shareholders in the Offer will be accepted.
- F. The Acquirers, PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, DLOF, LOF or in the post Offer advertisement or any corrigendum or any materials issued by or at the instance of the Acquirer, the PACs or the Manager to the Offer in relation to the Offer, and anyone placing reliance on any other sources of information (not released by the Acquirers and PACs) would be doing so at his / her / its own risk.
- G. NRI and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the RBI) and submit such approvals along with the Form of Acceptance and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) were required to obtain 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, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirers and PAC reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or on non-repatriable basis
- H. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the Letter of Offer, resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers, the PACs or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America
- I. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

### **3. Relating to the Acquirers and PAC:**

- A. The Acquirers, PAC and Manager to the Offer makes no assurances with respect to its investment / divestment decisions relating to its proposed shareholding in the Target Company.
- B. The Acquirers, PAC and Manager to the Offer makes no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
- C. The Acquirers, PAC and Manager to the Offer cannot 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.

***The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirers and PAC but are only indicative in nature. The risk factors set forth above pertain to the transaction, acquisition and the Offer and do not pertain 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 Public Shareholder in the Offer. Public Shareholders of the Target Company are advised to consult their stockbroker, tax advisors or investment consultant, for further risks with respect to their participation in the Offer.*

**Currency of Presentation:**

1. In this Letter of Offer, all references to ‘Rs.’ or ‘Rupees’ are to Indian Rupee(s), the official currency of India.
2. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

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## 1. DEFINITIONS AND ABBREVIATIONS

Term	Description
Acquirers	A. Harish Agarwal B. Anil Nagpal C. Gian Aggarwal
Board of Directors	The Board of Directors of the Target Company / Envair Electrodyne Limited
Buying Broker	The Acquirers and PAC has appointed Rikhav Securities Limited (“Buying Broker”) for the Open Offer through whom the purchases and settlement of Open Offer Equity Shares shall be made during the Tendering Period
BVPS	Book Value Per Share
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	The Companies Act, 2013 as amended or modified from time to time and the Companies Act, 1956 to the extent as applicable
Current Voting Share Capital	Total equity shares of the Target Company carrying voting rights as on the date of this LOF
Clearing Corporation	Indian Clearing Corporation Limited
Consideration	Shall mean a sum of 2,56,88,000 (Rupees Two Crore Fifty-Six Lakhs Eighty-Eight Thousand Only) i.e., for the acquisition up to 7,90,400 Equity Shares at the Offer Price of Rs. 32.50 (Rupee Thirty-Two and Point Paise Fifty only) per Equity Shares (the “Total Consideration”) by the Acquirer to the Shareholders for accepting the Equity Shares under the Offer.
Date of commencement of Tendering Period	Thursday, May 31, 2018
Date of closure of Tendering Period	Wednesday, June 13, 2018
Depositories	CDSL and NSDL
DIN	Director Identification Number
DLOF / Draft Letter of Offer	The Draft Letter of Offer dated Monday, April 02, 2018
DP	Depository Participant
DPS / Detailed Public Statement	Detailed Public Statement relating to the Offer published on Thursday, March 22, 2018 on behalf of the Acquirers and PAC in Financial Express Newspaper (English – all editions), Jansatta Newspaper (Hindi – all editions), Loksatta (Marathi (Pune) – Regional edition) and Aapla Mahanagar (Mumbai – edition)
Eligible Shareholder(s) / Persons Shareholder(s) for the Offer / Equity Shareholder(s) / Shareholder(s)	All owners (registered or unregistered) of Equity Shares of the Target Company who own the Equity Shares at any time before the Closure of the Tendering Period, except the Acquires and PAC and the existing Promoter and Promoter Group / Sellers under the SPA.
EPS	Earnings per Equity Share derived by dividing the Profit after Tax by number of Equity Shares.
Equity Shares/ Shares	Fully paid-up Equity Shares of the Target Company, having face value of Rs. 10/- each unless it is specified.
Equity Share Capital	Rs. 3,04,00,000 consisting of 30,40,000 Fully paid up Equity Share of Rs.10 each of the Target Company as on date of LOF.



<b>Term</b>	<b>Description</b>
Escrow Account	Escrow Account bearing no. 250549750412 opened by the Acquirer in relation to this Offer with the Escrow Bank empowering the Manager to the Offer to act in compliance with the SEBI (SAST) Regulations.
Escrow Agreement	The Escrow Agreement dated March 16, 2018 entered into amongst the Acquirers, PAC the Manager to the Offer and the Escrow Bank.
Escrow Bank	IndusInd Bank, a banking corporation incorporated under the laws of India, acting through its branch office at IndusInd Bank Limited, Premises No. 1, Sonawala Building 57, Mumbai Samachar Marg, Fort, Mumbai – 400001
FII(s)	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in India.
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement.
FY	Financial Year
Identified Date	Thursday, May 17, 2018, i.e. the date falling on the 10th Working Day prior to the commencement of the Tendering Period for the purpose of identifying Eligible Shareholders to whom the Letter of Offer will be sent.
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961 as amended from time to time.
ISIN	International Securities Identification Number
Letter of Offer (LOF)	This Letter of Offer dated May 17, 2018
LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended
Manager / Manager to the Offer / Merchant Banker /	Fedex Securities Limited
MOA	Memorandum of Association of Envair Electrodyne Limited, as amended.
MICR	Magnetic Ink Character Recognition
Negotiated Price	Rs. 32.50 (Rupee Thirty-Two and Point Paise Fifty Only) per Equity Share
NECS	National Electronic Clearing Services
N.A.	Not Applicable
Non-Resident Shareholders	Non-Resident Indians and OCBs holding Equity Shares of “EEL”
NRI	Non-Resident Indian as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Body as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
Offer/ Open Offer	Open offer being made by the Acquirers and PAC to the Shareholders of EEL (other than the Promoter and Promoter Group) to acquire up to 7,90,400 Equity Shares, representing 26.00% of the Total Paid Up and Voting Equity Share Capital of the Target Company at an Offer Price of Rs. 32.50 (Rupee Thirty-Two and Point Paise Fifty only) per Equity Share payable in cash.
Offer Price	Rs. 32.50 (Rupee Thirty-Two and Point Paise Fifty only) per Equity Share of the Target Company payable in cash as determined under regulation 8 of the SEBI (SAST) Regulations, 2011.
Offer Size	Rs. 2,56,88,000 (Rupees Two Crore Fifty-Six Lakhs Eighty-Eight Thousand Only) arrived by multiplying 7,90,400 Equity Shares each by Offer Price of Rs 32.50 per Equity Share of the TC.

<b>Term</b>	<b>Description</b>
Offer / Offering Period	Period from the date of Public Announcement to the date of payment of Consideration to the Shareholders whose Equity Shares are validly accepted under this Open Offer or the date on which this Offer is withdrawn.
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on Friday, March 16, 2018, in accordance with the SEBI (SAST) Regulations.
PAC	Alliance India
PAN	Permanent Account Number
PAT	Profit After Tax
Promoter and Promoter Group	Persons part of Promoter and Promoter Group of Envair Electrodyne Limited unless specified otherwise
Registrar/ Registrar to the Offer	Universal Capital Securities Private Limited
RBI	Reserve Bank of India
Rs. / Rupees	Indian Rupees, the legal currency of India
RTGS	Real Time Gross Settlement
Sale Shares	Shall mean 18,50,700 Equity Shares representing 60.88% of the Voting Equity Share Capital of the Target Company to be purchased from the Selling Shareholders
SEBI/ Board	Securities and Exchange Board of India
SCCR	Securities Contracts (Regulation) Rules, 1957, and subsequent amendments thereto.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (SAST) Regulations/ SEBI (SAST) Regulations, 2011/ the Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereto
Selling Shareholders/ Sellers	A. Shripad Mirashi B. Deepanjali Mirashi
Stock Exchange/ BSE	BSE Limited
Sl. No./ Sr. No.	Serial Number
SPA / Agreement	Share Purchase Agreement entered into between the Acquirers and the Selling Shareholders dated March 16, 2018
Target Company/ TC/ "EEL"	Envair Electrodyne Limited
Tendering Period	Period within which Shareholder(s) of the Target Company may tender their Equity Shares in acceptance to the Offer i.e., the period commencing from May 31, 2018 and closing on June 13, 2018.
Transaction	Acquisition of Sale Shares of the Target Company by the Acquirers from the Selling Shareholders at the negotiated price aggregating to Rs. 6,01,47,750 (Rupees Six Crore One Lakh Forty-Seven Thousand Seven Fifty Only), subject to the terms and conditions as mentioned in the SPA
Voting Rights	Shall mean the right to vote attached to the Equity Share Capital as defined in Section 47 (1) of the Companies Act, 2013
Working Day	Working days of SEBI

*Note: All terms beginning with a Capital Letter used in this Letter of Offer and not specifically defined herein, shall have the meanings ascribed to them in the SEBI (SAST) Regulations, 2011 unless otherwise 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 THE 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 ENVAIR ELECTRODYNE LIMITED, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS OR PAC OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS AND PAC IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS AND PAC DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER ‘FEDEX SECURITIES LIMITED’ HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 02, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT HOWEVER ABSOLVE, THE ACQUIRERS AND PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

### 3. DETAILS OF THE OFFER

#### 3.1 Background of the Offer

- 3.1.1 This Offer is a mandatory offer under Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 pursuant to substantial acquisition of Shares and Voting rights accompanied with change in control and management of the Target Company. This Offer has been triggered upon the execution of the Share Purchase Agreement.
- 3.1.2 On Friday, March 16, 2018 the Acquirers & PAC has entered into SPA with the Selling Shareholders forming part of the Promoter and Promoters Group of the Target Company (hereinafter collectively referred to “**Selling Shareholders**”) to acquire 18,50,700 fully paid-up Equity Shares (“**Sale Shares**”) of Rs. 10 each representing 60.88% of the total Paid Up and Voting Equity Share Capital of the Target Company at a Price of Rs. 32.50 (Rupee Thirty-Two and Point Paise Fifty Only) per Equity Share aggregating to Rs. 6,01,47,750 (Rupees Six Crore One Lakh Forty-Seven Thousand Seven Fifty Only), subject to the terms and conditions as mentioned in the SPA. The details of the Selling Shareholders are stated hereunder:

Name of the Promoter Seller	Address	Nature of Entity	Part of Promoter group	Details of equity shares / voting rights held by the selling shareholders			
				Pre-Transaction		Post Transaction	
				No. of Shares	%	No. of Shares	%
Shripad Mirashi*	Shree B 41, Abhimanshree Society Pashan Road, Pune 411008, Maharashtra India	Individual	Yes	18,50,600	60.88%	Nil	Nil
Deepanjali Mirashi**	Shree B 41, Abhimanshree Society Pashan Road, Pune 411008, Maharashtra India	Individual	Yes	100	Negligible	Nil	Nil
<b>TOTAL</b>				<b>18,50,700</b>	<b>60.88%</b>	<b>--</b>	<b>--</b>

*\*Out of the Total Shares held by Shripad Mirashi, 9,00,000 Equity Shares are jointly held by Shripad Mirashi with Deepanjali Mirashi and 9,00,000 Equity Shares are jointly held by Shripad Mirashi with Gitanjali Mirashi.*

*\*\*Total Shares held by Deepanjali Mirashi are jointly held by Deepanjali Mirashi with Shripad Mirashi*

- 3.1.3 As on the date of this LOF, the Acquirers holds equity shares to the extent as mentioned in the SPA. However, PAC does not hold any Equity Shares of the Target Company as on the date of this LOF. Further, acquirers do not have any other interest in the Target Company except for Anil Nagpal and Harish Agarwal who are appointed as Additional Directors on the Board of Directors of the Target Company w.e.f. May 11, 2018.

- 3.1.4 Pursuant to these events, the Acquirers and PAC are making this mandatory Offer in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, to acquire up to 7,90,400 Equity Shares of Face Value of Rs. 10 each representing 26.00% of the Voting Equity Share Capital of the Target Company (the “Offer Size”).
- 3.1.5 The Acquirers and PAC have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 3.1.6 As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the board of directors of the Target Company has constituted a Committee of Independent Directors, to provide its written reasoned recommendation on the Offer, to the Public Shareholders of the Target Company and such recommendation shall be published by not later than May 29, 2018 in the same newspapers where the DPS was published and simultaneously a copy of such recommendation shall be sent to SEBI, the Stock Exchange and to the Manager to the Offer.
- 3.1.7 **The salient features of the SPA are as follows:**
- The Selling Shareholders have agreed to sell and transfer to the Acquirers and the Acquirers has agreed to purchase the Sale Shares in terms of the SPA;
  - The consideration for purchase of the Sale Shares agreed between the Parties is Rs 32.50 per Sale Share, which aggregates to Rs. 6,01,47,750 (Rupees Six Crore One Lakh Forty-Seven Thousand Seven Fifty Only), for the entire shares comprised in the Sale Shares (the “Purchase Price”).
  - The Acquirers may complete the acquisition of Equity Shares and take control over the Target Company subsequent to expiry of twenty-one working days from the date of Detailed Public Statement of this Open Offer as per regulation 22(2) of SEBI (SAST) Regulations.
  - The entire consideration for Sale Shares shall be paid to the Selling Shareholders directly in accordance with the SPA and the Sale Shares will be transferred to the Acquirers on successful completion of Open Offer.
  - The Agreement shall be effective from the date hereof; provided however that the Purchaser’s obligations to purchase the Sale Shares shall be subject to and conditional upon the Purchaser complying with the applicable provisions of the Takeover Regulations.
  - The Acquirers shall become the “Promoter” of the Target Company and shall be in control of the management, business and affairs of the Company on completion of Offer.
  - The parties agree that the obligation of the Acquirers to purchase Sale Shares is conditional upon fulfillment of the Conditions Precedent set out in the Agreement.
  - The sale and purchase of Sale Shares is subject to compliance with the provisions Takeover Regulations.
  - In case of non-compliances with any of the provisions Takeover Regulations relating to the Offer by the Acquirers, the SPA shall not be acted upon.
- 3.1.8 Harish Agarwal (Acquirer – 1) and Anil Nagpal (Acquirer – 2) & Archit Aggarwal (representative of Gian Agarwal – Acquirers 3) was appointed as an Additional Directors of the Target Company w.e.f. May 11, 2018 pursuant to compliance with the requirements of the proviso to Regulation 24(1) of SEBI (SAST) Regulations, 2011.

## **3.2 Details of the Proposed Offer**

- 3.2.1 In accordance with Regulation 14(3) of SEBI (SAST) Regulations, 2011, the DPS was published in the following newspapers on March 22, 2018:

Name of the Newspapers	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Loksatta	Marathi	Pune Editions
Aapla Mahanagar	Hindi	Mumbai Editions

***A copy of the PA and the DPS are also available on the SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)). Simultaneously with the publication of DPS in the newspapers, a copy of the DPS was filed through the Manager to the Offer with SEBI, BSE and the Target Company at its registered office.***

- 3.2.2 This Open Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 to all the Public Shareholders of the Target Company. Pursuant to the Offer, the Acquirers and PAC will acquire up to 7,90,400 (Seven Lakhs Ninety Thousand Four Hundred) Equity Shares representing 26% of the total paid up and voting share capital of the Target Company at a price of Rs. 32.50 (Rupees Thirty-Two and Point Paise Fifty only) per Equity Share payable in cash subject to the terms and conditions set out in the DPS and LOF that will be sent to all Public Shareholders of the Target Company.
- 3.2.3 There are no partly paid-up Equity Shares in the Target Company.
- 3.2.4 This Open Offer is not a competing offer and there is no competing offer as on the date of this LOF in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- 3.2.5 This Offer is not conditional upon any minimum level of acceptance from the Public Shareholders of the Target Company in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011. All Equity Shares validly tendered by the Public Shareholders will be accepted at the Offer Price in accordance with the terms and conditions contained in the DPS and Letter of Offer. The Equity Shares to be acquired under the Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared from now on and hereafter.
- 3.2.6 The Acquirers and PAC have not acquired any Equity Shares of the Target Company after the date of PA, i.e. March 16, 2018 and up to the date of this LOF except the acquirers who holds equity shares to the extent as mentioned in the Share Purchase Agreement.
- 3.2.7 All Equity Shares validly tendered by the Public Shareholders will be acquired by the Acquirers and PAC only in accordance with the terms and conditions contained in the DPS and this Letter of Offer. In the event that the Equity Shares validly tendered in the Open Offer by the Shareholders are more than the Offer Size, the acquisition of Equity Shares from each Shareholder will be on a proportionate basis, in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner.
- 3.2.8 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers and PAC has appointed Fedex Securities Limited as the Manager to the Offer.
- 3.2.9 The Manager to the Offer, Fedex Securities Limited, does not hold any Equity Shares in the Target Company as on the date of this Letter of Offer and is not related to the Acquirers & PAC and the Target Company in any manner whatsoever. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.
- 3.2.10 In terms of Regulation 38 of SEBI LODR Regulations, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. In accordance with the SEBI LODR Regulations, the present Offer after considering the SPA and the Open Offer may result in the public shareholding of the Target Company falling below the minimum level required as per the SEBI

LODR Regulations for the purpose of listing on a continuous basis. The Acquirers & PAC undertakes to bring the public shareholding at minimum stipulated level i.e. 25% within the time permitted under the Securities Contract (Regulation) Rules, 1957 and in accordance with Regulation 7(4) of SEBI (SAST) Regulations. Further, the Acquirers & PAC shall not be eligible to make a voluntary delisting offer under the SEBI (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months has elapsed from the date of completion of the Offer period as per Regulation 7(5) of SEBI (SAST) Regulations.

### **3.3 Objects of the Acquisition / Offer:**

- 3.3.1 This Offer is being made by the Acquirers and PAC to the all Public Shareholders of the Target Company in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations. After the completion of this Open Offer and pursuant to the acquisition of Equity Shares under the SPA, the Acquirers and PAC will hold the majority of Equity Shares by virtue of which the Acquirers and PAC shall be in a position to exercise effective control over the management and affairs of the Target Company.
- 3.3.2 The main object of acquisition is to acquire substantial shares / voting rights accompanied with change in management and control of the Target Company. The Acquirers & PAC reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be carried out, will be in accordance with the laws applicable. The Acquirers & PAC may reorganize and/or streamline existing businesses or carry on additional businesses for commercial reasons and operational efficiencies.
- 3.3.3 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011, except as has already been disclosed by the Target Company in the public domain, the Acquirers & PAC does not currently have any intention to alienate, restructure, dispose of or otherwise encumber any assets of the Target Company in the succeeding two years from the completion of this Offer, except in the ordinary course of business. The Acquirers & PAC undertakes that they will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of the Target Company other than in the ordinary course of business, except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot and the notice of Postal Ballot will include the reasons for such alienation during the succeeding two years from the completion of this Offer.

## **4. BACKGROUND OF THE ACQUIRERS & PAC**

### **4.1 Harish Agarwal (Acquirer 1)**

- Harish Agarwal, Son of Prem Aggarwal, aged 56 years, is an Indian resident, residing at H. No. 62, Sector – 7, Panchkula, Haryana – 134109
- He is Commerce Graduate by qualification and has experience of approx. 30 years in the field of construction, manufacturing, and logistics with expertise in financial administration and project management.
- As on the date of this Letter of Offer, Harish Agarwal is appointed as an Additional Director on the Board of the Target Company w.e.f. May 11, 2018. As on the date of this Letter of Offer, the Acquirer does not hold any position on the board of directors of any listed company except as an Additional Director on the Board of Target Company.
- He holds 6,16,700 Equity Shares of the Target Company and has complied with SEBI (SAST) Regulations, 2011 for the acquisition of shares mentioned in SPA.
- He is director of the following companies:

<b>Sr. No</b>	<b>Name of the company</b>	<b>Current Designation</b>
1.	Asian Concretes and Cements Private Limited	Managing Director
2.	Asian Fine Cements Private Limited	Director
3.	Duratech Cements India Limited	Director
4.	Chandigarh Healthcare Private Limited	Director
5.	Envair Electrodyne Limited	Additional Director

- He has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the Securities and Exchange Board of India Act, 1992 or under any of the Regulations made thereof.
- Neither the Acquirer nor any of the Company with whom the Acquirer is associated is / are in securities related business nor is registered with SEBI as a market intermediary He is not in the list of ‘wilful defaulters’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.
- The Acquirer is not part of any group.
- The Acquirer has sufficient resources to fulfil the obligations under this Offer
- The Acquirer undertakes that he will not sell the Equity Shares of the Target Company during the Offer period in terms of Regulation 25(4) of SEBI (SAST) Regulations.
- The net worth of Harish Agarwal as on February 28, 2018 is Rs. 6,154.81 Lakhs as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office No. 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.

#### 4.2 Anil Nagpal (“Acquirer 2”)

- Anil Nagpal, Son of Om Nagpal aged 59 years, resident of H.No. 8, Sector – 7, Panchkula 134109, Haryana.
- He is Commerce Graduate in Business Management from Punjab University, Chandigarh. He has experience of approx. 30 years in the Supply Chain, Logistics and Manufacturing of Pharmaceuticals & FMCG goods.
- As on the date of this Letter of Offer, Anil Nagpal is appointed as an Additional Director on the Board of the Target Company w.e.f. May 11, 2018. As on the date of this Letter of Offer, the Acquirer does not hold any position on the board of directors of any listed company except as an Additional Director on the Board of Target Company.
- He holds 6,17,000 Equity Shares of the Target Company and has complied with SEBI (SAST) Regulations, 2011 for the acquisition of shares mentioned in SPA.
- He is director of the following companies/LLP:

<b>Sr. No</b>	<b>Name of the company</b>	<b>Current Designation</b>
1)	Imperial Marketing Services India Private Limited	Whole time Director
2)	AAA Constructions Private Limited	Director
3)	Duratech Cements India Limited	Director
4)	RMGR Projects LLP	Designated Partner
5)	Envair Electrodyne Limited	Additional Director



- He has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the Securities and Exchange Board of India Act, 1992 or under any of the Regulations made thereof.
- Neither the Acquirer nor any of the Company with whom the Acquirer is associated is / are in securities related business nor is registered with SEBI as a market intermediary. He is not in the list of ‘wilful defaulters’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.
- The Acquirer is not part of any group.
- The Acquirer has sufficient resources to fulfil the obligations under this Offer
- The Acquirer undertakes that he will not sell the Equity Shares of the Target Company during the Offer period in terms of Regulation 25(4) of SEBI (SAST) Regulations.
- The net worth of Anil Nagpal as on February 28, 2018 is Rs. 44,39,73,805 (Rupees Forty Four Crore Thirty Nine Lakhs Seventy Three Thousand Eight Hundred Five only) as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi; and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.

#### 4.3 Gian Aggarwal (“Acquirer 3”)

- Gian Aggarwal, Son of Om Aggarwal, aged 54 years, resident of B/313, Saraswati Vihar, Pitampura, Delhi 110034
- He is commerce graduate and has experience of approx. 25 years in the field of pharmaceuticals, auto and engineering goods.
- As on the date of this Letter of Offer, Gian Aggarwal is not a Director on the Board of the Target Company. As on the date of this Letter of Offer, the Acquirer does not hold any position on the board of directors of any listed company.
- He holds 6,17,000 Equity Shares of the Target Company and has complied with SEBI (SAST) Regulations, 2011 for the acquisition of shares mentioned in SPA.
- He is director of the following companies:

Sr. No	Name of the company	Current Designation
1.	Asian Concretes and Cements Private Limited	Director
2.	Archit Infrastructure and Developers Private Limited	Director
3.	Duratech Cements India Limited	Director
4.	Innova Captab Private Limited	Director
5.	Viney Gems & Jewellery Limited	Director
6.	Tara Logitech Private Limited	Director
7.	Modern Fastners Private Limited	Director
8.	Tanvi Estates Private Limited*	Director

\*The Company is under Strike off

- He has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the Securities and Exchange Board of India Act, 1992 or under any of the Regulations made thereof.
- Neither the Acquirer nor any of the Company with whom the Acquirer is associated is/are in securities related business nor is registered with SEBI as a market intermediary. He is not in the list of ‘wilful

defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.

- The Acquirer is not part of any group.
- The Acquirer has sufficient resources to fulfil the obligations under this Offer
- The Acquirer undertakes that he will not sell the Equity Shares of the Target Company during the Offer period in terms of Regulation 25(4) of SEBI (SAST) Regulations.
- The net worth of Gian Aggarwal as on February 28, 2018 is Rs. 77,14,74,325 (Rupees Seventy-Seven Crore Fourteen Lakhs Seventy-Four Thousand Three Hundred and Twenty-Five only) as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office No. 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.

#### 4.4 Alliance India (“PAC”)

- PAC was incorporated on October 14, 2004 as a partnership under the provisions of the Partnership Act, 1932. The office of PAC is situated at Khasra No. 1348, Village Bhatolikalan, EPIP, Phase - I, Jharmajri, Baddi 124103.
- PAC is engaged in the business of manufacturing of FMCG Products under name & style of M/s Alliance India as per partnership deed dated October 14, 2014.
- Partners of Alliance India are Harish Agarwal, Anil Nagpal and Gian Aggarwal.
- PAC is not a part of any group
- As on the date of this Letter of Offer, PAC does not hold any Equity Shares and voting rights in the Target Company. Neither PAC nor its partners have any interest in the Target Company except to the extent of shares hold by partners of PAC and directorship of Harish Agarwal & Anil Nagpal.
- PAC has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- The key financial information of the PAC based on the certified un-audited accounts for the period from April 01, 2017 to December 31, 2017 and audited financial March 31, 2017, March 31, 2016 and March 31, 2015 by the statutory auditor is as follows:

Particular	For the 9 months ended on December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
	(Unaudited Limited review)	(Audited)	(Audited)	(Audited)
Total Revenue	31,719.46	43,195.94	32,090.91	32,357.96
Net Income	784.90	979.48	1,507.77	2,001.29
EPS	Not Applicable			
Capital	5,310.31	4,025.41	3,009.26	2,717.95

- The net worth of Alliance India as on February 28, 2018 is Rs. 59,05,16,438 (Rupees Fifty Nine Crore Five Lakhs Sixteen Thousand Four Hundred Thirty Eight only) as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi; and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.

## 5. BACKGROUND OF THE TARGET COMPANY: ENVAIR ELECTRODYNE LIMITED (“TARGET COMPANY” OR ‘EEL” OR “TC”)

- The Target Company was incorporated on February 04, 1981 under the Companies Act, 1956 in the name a Kirloskar Electrodyne Private Limited. Further, the name of the Target Company was changed into Envair Electrodyne Limited and a fresh certificate of incorporation pursuant to change of name was obtained on February 4, 2002. The CIN of the Target Company is L29307MH1981PLC023810. The ISIN of the Target Company is INE601C01013.
- The registered office of the Target Company is situated at 117 General Block, MIDC Bhosari, Pune – 411026, Maharashtra, India. Tel. No. +91-020-30688117 / 118, Fax No.: +91-020-3068 8130.
- As on the date of this Letter of Offer, the authorised share capital of Envair Electrodyne Limited is Rs. 5,50,00,000 (Rupees Five Crore Fifty Lakhs Only) consisting of 55,00,000 of Equity Shares of Rs. 10 each. The Issued Subscribed and Paid up Share Capital of the Target Company is Rs. 3,04,00,000 (Rupees Three Crore Four Lakhs Only) consisting of 30,40,000 Equity Shares of 10 (Rupees Ten Only) each.
- The entire Capital of 30,40,000 Equity Shares of Face Value Rs. 10 each of Target Company are listed on BSE.
- The Equity Shares of the Target Company are currently listed & traded on BSE only (Security ID BSE: ENVAIREL and Security code BSE: 500246) and is traded under XT category. The ISIN of the Target Company is **INE601C01013**.
- The Equity Shares of the Target Company are not frequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations on BSE.
- As on date, target company is in compliance with the Listing requirements and the trading in Equity Shares of Target Company is not suspended at BSE. However, the trading in Equity Shares of Target Company is under Graded Surveillance Measures (GSM) – “Stage 5” introduced by Stock Exchanges on account of market surveillance measure.
- As on date of this Letter of Offer, there is no subsidiary or holding company of the Target Company.
- There has been no merger, de-merger and spin off in the last three years in the Target Company.
- As on the date, the Target Company does not have any partly paid up Equity Shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage.
- The Main object of target company is to do the business of Envair is into manufacturing of clean air equipment, technical furniture and hydraulic oil cleaner.
- As on date of this Letter of Offer, the capital structure of the Target Company is as follows:

Paid up Equity Shares of the Target Company	No. of Equity Shares/ Voting rights	% of Equity Shares /Voting rights
Fully Paid up Equity Shares	30,40,000 of Rs. 10 each	100%
Partly Paid up Equity Shares	Nil	Nil
Total Paid up Equity Shares	30,40,000 of Rs. 10 each	100%
<b>Total Voting Rights in Target Company</b>	<b>30,40,000 of Rs. 10 each</b>	<b>100%</b>

- Brief Audited Financial Information of EEL as per the Audited Accounts for the Financial Year ended March 31, 2017, March 31, 2016 & March 31, 2015 and the Unaudited limited reviewed financials for the Nine Months ended December 31, 2017 are as follows.

(Rs. In Lakhs)

Profit and Loss Statement	For the Nine Months ended on December 31, 2017	For the year ended March 31,		
		2017	2016	2015
Revenue from operations	279.34	476.60	407.78	552.88
Other income	4.17	5.72	15.87	14.52
<b>Total Income</b>	<b>283.50</b>	<b>482.32</b>	<b>423.65</b>	<b>567.40</b>
<b>Total Expenditure</b>	<b>328.97</b>	<b>487.70</b>	<b>466.22</b>	<b>574.62</b>
<b>Profit before Depreciation, Interest &amp; Tax</b>	<b>(45.47)</b>	<b>(5.38)</b>	<b>(42.57)</b>	<b>(7.22)</b>
Depreciation	8.63	11.41	14.90	20.56
Finance Cost	11.38	14.39	5.42	4.19
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>	<b>(65.48)</b>	<b>(31.18)</b>	<b>(62.89)</b>	<b>(31.96)</b>
Exceptional Items	0	0	0	63.08
Profit / (loss) before Tax	(65.48)	(31.18)	(62.89)	(95.04)
Provision for Tax (inc Deferred tax & Tax for earlier years)	-	-	-	(0.88)
Profit / (Loss) after Tax	(65.48)	(31.18)	(62.89)	(94.16)

**Balance Sheet Statement:**

Particular	For the Nine Months ended on December 31, 2017	For the year ended March 31,		
		2017	2016	2015
<b>Sources of Funds</b>				
Paid up Equity Share Capital	304	304	304	304
Reserves & Surplus ( <i>Excluding Revaluation Reserve</i> )	(205.82)	(140.33)	(109.15)	(46.27)
<b>Net Worth</b>	<b>98.18</b>	<b>163.67</b>	<b>194.85</b>	<b>257.73</b>
Secured Loans	23.68	11.42	13.11	0
Unsecured Loans	168.96	103.77	28.80	13.30
<b>TOTAL</b>	<b>290.82</b>	<b>278.86</b>	<b>236.76</b>	<b>271.03</b>
<b>Uses of funds</b>				
Net Fixed assets	89.82	114.47	90.84	98.78
Investments	50.00	-	-	-
Net Current Assets	151.00	164.39	145.62	172.25
Total Miscellaneous Expenditure not written off	-	-	-	-
<b>Total</b>	<b>290.82</b>	<b>278.86</b>	<b>236.76</b>	<b>271.03</b>

**Other Financial Data**

Particular	For the Nine Months ended on December 31, 2017	For the year ended March 31,		
		2017	2016	2015
Dividend (%)	NIL	NIL	NIL	NIL
Earning Per Share (In Rs.) (Basic)	(2.15)	(1.03)	(2.07)	(3.10)
Earning Per Share (In Rs.) (Diluted)	(2.15)	(1.03)	(2.07)	(3.10)
Return on Net Worth (%)	(66.69%)	(19.05%)	(32.27%)	(36.53%)

Particular	For the Nine Months ended on December 31, 2017	For the year ended March 31,		
		2017	2016	2015
Book Value Per Share (In Rs.)	3.23	5.38	6.41	8.47

- $Net\ worth = Equity\ Share\ Capital + Reserves\ and\ Surplus - Misc.\ Expenses$
- $EPS = Profit\ after\ Tax / No.\ of\ shares\ outstanding$
- $Return\ on\ Net\ Worth = Profit\ after\ Tax / Net\ Worth$
- $Book\ Value\ per\ Share = Net\ Worth / No.\ of\ shares\ outstanding$

- Acquirers and PACs have not acquired any Equity Shares after date of PA till the date of Letter of Offer except to the extent number of equity shares as mentioned in the SPA.
- Details of Directors on the Board of the Target Company as on the date of this Letter of Offer are as below:

Sr. No.	Name of the Director	Date of Appointment	Designation	DIN
1.	Avinash Dattatraya Kulkarni	September 20, 2015	Independent Director	00016046
2.	Vikas Vinayak Khanvelkar	July 17, 2015	Independent Director	00143916
3.	Shripad Rajaram Mirashi	April 01, 2014	Managing Director	00480854
4.	Anil Nagpal	May 11, 2018	Additional Director	01302308
5.	Harish Agarwal	May 11, 2018	Additional Director	02185002
6.	Archit Agarwal	May 11, 2018	Additional Director	08127356

Note: As on the date of Letter of Offer, Archit Agarwal is the person who represents Gian Agarwal while other persons Anil Nagpal & Harish Agarwal are the acquirers.

- **Pre and Post Shareholding pattern of the Target Company as on the date of the Letter of Offer is as follows:**

Shareholders' Category	Shareholding and voting rights prior to the SPA/ acquisition and Offer		Shares / voting rights agreed to be acquired which triggered off the Offer		Shares/ voting rights to be acquired in Offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and Offer.	
	(A)		(B)		(C)		(A)+(B)+(C)	
	No.	%	No.	%	No.	%	No.	%
<b>1. Promoter &amp; Promoter Group</b>								
<b>a) Parties to SPA</b>								
Shripad Mirashi*	18,50,600	60.88	(18,50,600)	(60.88)	-	-	-	-
Deepanjali Mirashi**	100	0.00	(100)	(0.00)	-	-	-	-
<b>b) Promoters other than 'a' above</b>	-	-	-	-	-	-	-	-
<b>Total (1) (a+b)</b>	<b>18,50,700</b>	<b>60.88</b>	<b>(18,50,700)</b>	<b>(60.88)</b>	-	-	-	-

Shareholders' Category	Shareholding and voting rights prior to the SPA/ acquisition and Offer		Shares / voting rights agreed to be acquired which triggered off the Offer		Shares/ voting rights to be acquired in Offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and Offer.	
<b>2.Acquirers &amp; PAC:</b>								
<b>A. Acquirers</b>								
Harish Agarwal			6,16,700	20.28	7,90,400	26	26,41,100	86.88
Anil Nagpal		6,17,000	20.30					
Gian Aggarwal		6,17,000	20.30					
<b>B. PAC</b>								
Alliance India	-	-	-	-				
<b>Total (A+B)</b>	<b>2</b>	<b>-</b>	<b>18,50,700</b>	<b>60.88</b>	<b>7,90,400</b>	<b>26</b>	<b>26,41,100</b>	<b>86.88</b>
<b>3.Parties to agreement other than 1(a)&amp; (2)</b>								
<b>4.Public (other than parties to SPA).\$\$</b>								
A. FIs / MFs / FIIs/ Banks	Nil	Nil			(7,90,400)	(26)	3,98,000	13.12
B. Others	11,89,300	39.12						
<b>Total (a+b)</b>	<b>(4)</b>	<b>11,89,300</b>	<b>39.12</b>		<b>(7,90,400)</b>	<b>(26)</b>	<b>3,98,000</b>	<b>13.12</b>
<b>Grand Total (1+2+3+4)</b>		<b>30,40,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,40,000</b>	<b>100.00</b>

\* *Out of the Total Shares held by Shripad Mirashi, 9,00,000 Equity Shares are jointly held by Shripad Mirashi with Deepanjali Mirashi and 9,00,000 Equity Shares are jointly held by Shripad Mirashi with Gitanjali Mirashi.*

\*\* *Total Shares held by Deepanjali Mirashi are jointly held by Deepanjali Mirashi with Shripad Mirashi*

\$\$As on the date of Letter of Offer, there are 4,568 (Four Thousand Five Hundred Seventy One) Shareholders under the public category.

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1 Justification of Offer Price

6.1.1 This Open Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 as a result of execution of the SPA for the acquisition of more than 25% of the Equity Shares and voting rights along with the acquisition of control over the management of the Target Company by the Acquirers & PAC. The equity shares of the Target Company are listed on BSE and are not suspended from trading on the Stock Exchange. The shares are placed under Group 'XT' having a Scrip Code of "500246" & Scrip Id: ENVAIREL. The shares are currently traded under "GSM: Stage 5" introduced

by Stock Exchanges on account of market surveillance measure. The ISIN of the Target Company is INE601C01013.

- 6.1.2 The trading turnover of the Equity Shares of the Target Company on BSE based on trading volume during twelve calendar months preceding the month of PA (February 2017 to February 2018) is given below:

Name of the Stock Exchange	Total number of equity shares traded during twelve calendar months preceding the month of PA	Total Number of Listed Equity Shares	Trading Turnover (in terms of % to Total Listed Equity Shares)
BSE	1,61,509	30,40,000	5.31%

Source: [www.bseindia.com](http://www.bseindia.com).

- 6.1.3 Based on above, the Equity Shares of the Target Company are not frequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations on BSE.
- 6.1.4 The Offer Price of Rs 32.50 per fully paid up Equity Share is justified in terms of Regulation 8(2) of the SEBI Takeover Regulations, being the highest of the following:

Particular	Amount
Negotiated Price per Equity Share under the Share Purchase Agreement attracting the obligation to make a Public Announcement of an open offer;	<b>32.50/-</b>
The volume-weighted average price paid or payable for acquisitions by the Acquirers during the fifty-two weeks immediately preceding the date of the Public Announcement.	<b>Not Applicable</b>
The highest price paid or payable for any acquisition by the Acquirers during the twenty-six weeks immediately preceding the date of the Public Announcement.	<b>Not Applicable</b>
The volume-weighted average market price of Equity Shares for a period of sixty (60) trading days immediately preceding the date of the Public Announcement as traded on BSE, being Stock Exchange where the Equity Shares of the Target are listed.	<b>Not Applicable as Equity Shares are infrequently Traded</b>
Since the Equity Shares are not frequently traded, the price determined by the Acquirers and the Manager to the Open Offer taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares of such companies	<b>25/-</b>

- 6.1.5 Jyoti Kawa (Membership No. 105654) partner of Kanu Doshi Associates LLP, Chartered Accountants, having office at 203, The Summit, Hanuman Road, Western Express Highway, Vile Parle (E), Mumbai – 400057 vide certificate dated March 16, 2018 has certified that the fair value of the Equity Share of the Envair Electrodyne Limited is Rs. 25 (Rupees Twenty-Five only) per fully paid up Equity Shares based on the financial ratios of the Company including Net Asset Value method, Market approach Method etc.
- 6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters
- 6.1.7 In the event of further acquisition of Equity Shares of the Target Company by the Acquirers & PAC during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, Acquirers & PAC



shall not be acquiring 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.

- 6.1.8 If the Acquirers & PAC acquires Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirers & PAC shall pay the difference between the highest acquisition price and the Offer Price, to all the Shareholders whose shares have been accepted in 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 an open offer as per 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 shares of the Target Company whether by way of bulk / block deals or in any other form.
- 6.1.9 As on date, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers and PAC shall comply with Regulation 18 of SEBI (SAST) Regulations and all other applicable provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 6.1.10 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 three working days before the date of commencement of the tendering period and would be notified to the Shareholders by public announcement in the same newspaper where the DPS was published.
- 6.1.11 The Acquirers and PAC has not acquired any Equity Shares of the TC from the date of PA up to the date of this Letter of Offer except to the extent number of shares mentioned in the SPA.

## **6.2 Financial Arrangement**

- 6.2.1 Total consideration payable to acquire up to 7,90,400 Equity Shares from all the Public Shareholders of the Target Company at the Offer Price of Rs. 32.50 (Rupees Thirty-Two and Point Paise Fifty only) per Equity Share, assuming full acceptance of the Offer would be Rs. 2,56,88,000 (Rupees Two Crore Fifty-Six Lakhs Eighty-Eight Thousand Only) (**‘Maximum Consideration’**).
- 6.2.2 In terms of Regulation 25(1), the Acquirers & PAC has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of his own sources/ net worth and no borrowings from any Bank and/or Financial Institutions are envisaged.
- 6.2.3 The Acquirers & PAC have adequate resources and have made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI Takeover Regulations. The Acquirers, the Manager to the Offer and IndusInd Bank, a banking corporation incorporated under the laws of India, acting through its branch office at IndusInd Bank Limited, Premises No. 1, Sonawala Building 57, Mumbai Samachar Marg, Fort, Mumbai – 400001, have entered into an Escrow Agreement for the purpose of the Offer (the **“Escrow Agreement”**). Pursuant to the Escrow Agreement and in compliance with the Regulation 17(1) of the SEBI Takeover Regulations, the Acquirers & PAC has opened an Escrow Account in the name and style as “Envair Electrodyne Limited-Open Offer Escrow Account” bearing Account number [250549750412]. The Acquirers & PAC has deposited on March 20, 2018 Rs. 2,56,88,008 (Rupees Two Crore Crore Fifty-Six Lakhs Eighty-Eight Thousand Eight Only), being an amount equivalent to 100.00% of the value of the total consideration payable under the Offer (assuming full acceptance) in cash as certified by IndusInd Bank vide letter dated March 20, 2018. The Manager to the Offer is duly authorised by the Acquirers & PAC to realise the value of the Escrow Account and operate the Escrow Account in terms of the SEBI Takeover Regulations.
- 6.2.4 Asim Jain, partner of R.K Deepak & Co. Chartered Accountants (Membership No.: 089331), having office at Office No. 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi and also at Office



no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546, has certified vide certificate dated March 12, 2018 that sufficient resources are available with the Acquirers & PAC for fulfilling the obligations under this Offer in full.

- 6.2.5 Based on the aforesaid financial arrangements, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers & PAC to fulfill the Acquirers & PAC's obligations through verifiable means in relation to this Offer in accordance with the Regulations.
- 6.2.6 In case of any upward revision in the Offer Price and/or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirers and PAC prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

## **7. TERMS AND CONDITIONS OF THE OFFER**

### **7.1 Operational Terms and Conditions**

- 7.1.1 This Offer is being made by the Acquirers and PAC to the Public Shareholders (i) whose names appear in the register of members of the Target Company as on the Identified Date i.e., May 17, 2018 (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date i.e., May 17, 2018; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer, i.e. June 13, 2018, but who are not the registered Equity Shareholders.
- 7.1.2 This Offer is not conditional upon any minimum level of acceptances from Shareholder(s) in terms of SEBI (SAST) Regulations, 2011.
- 7.1.3 This offer is not competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- 7.1.4 The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
- 7.1.5 Accidental omission to dispatch the Letter of Offer to any Equity Shareholder entitled under this Open Offer or nonreceipt of the Letter of Offer by any Equity Shareholder entitled under this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Equity Shareholders can write to the Registrar to the Offer/Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the date of closing of Tendering Period.
- 7.1.6 The copy of Letter of Offer (including Form of Acceptance) will also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in) and Public Shareholders may also download (LOF alongwith form of Acceptance) from the website.
- 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 Neither the Acquirers, PAC nor the Manager to the Offer or the Registrar to the Offer accepts any responsibilities in any manner for any loss of Equity Share certificate(s), share transfer forms and any other Offer acceptance documents, etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.1.9 Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the Public Shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders

regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities

- 7.1.10 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, 2011, Public Shareholders who have accepted this Open Offer by tendering their equity shares and requisite documents in terms of the PA, DPS and Letter of Offer shall not be entitled to withdraw such acceptance during the tendering period.
- 7.1.11 Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.1.12 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms and conditions of this Offer.
- 7.1.13 Each Public Shareholder to whom this Offer is being made is free to offer the Equity Shares held by him/her in whole or in part while accepting this Offer
- 7.1.14 This Offer is subject to the receipt of the statutory and other approvals as mentioned in this Letter of Offer. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, 2011, if the statutory approvals are refused, the Offer would stand withdrawn.

## **7.2 Locked-In Shares**

As on date of this Letter of Offer, the Target Company does not have any Equity Shares under lock-in.

## **7.3 Eligibility for Accepting the Offer**

- 7.3.1 The Letter of Offer shall be sent through e-mail or physical mode to Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date i.e. May 17, 2018
- 7.3.2 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.
- 7.3.3 Public Shareholders can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders. Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.3.4 The PA, the DPS, the DLOF and this Letter of Offer will also be available on the website of SEBI, i.e. [www.sebi.gov.in](http://www.sebi.gov.in). In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, may download the Letter of Offer from the website of SEBI for applying in the Offer.
- 7.3.5 The Acquirers reserve the right to revise the Offer Price and/or the Offer Size upwards before at least 3 Working Days prior to the commencement of the Tendering Period, i.e. up to May 28, 2018, in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price would be announced in the newspapers. The Acquirers would pay such revised price for all the shares validly tendered during the Tendering Period and accepted under the Offer in accordance with the terms of the Letter of Offer.
- 7.3.6 The decision on acceptance of Equity Shares tendered in this Offer will be made by the Acquirers & PAC in consultation with the Manager to the Offer.
- 7.3.7 By accepting this offer, the Public Shareholders confirm that they are not persons acting in concert with the Acquirers for the purpose of this Offer

#### **7.4 Statutory and other Approvals:**

- 7.4.1 To the best of the knowledge and belief of the Acquirers and PAC, as on the date of this LOF, there are no statutory or other approvals required to implement the Offer. If any statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirers and PAC will not proceed with the Offer in the event that such statutory approvals becoming applicable prior to completion of the Offer are refused, in terms of Regulation 23 of SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made within two working days of such withdrawal, in the same newspapers in which the DPS appeared.
- 7.4.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs and FPIs) were required to obtain 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, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirers and PAC reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or on non-repatriable basis.
- 7.4.3 In case of delay in receipt of any statutory approval(s) becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to the Acquirers and PAC for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers or PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011. Further, if delay occurs on account of wilful default by the Acquirers and PAC in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations, 2011 will also become applicable and the amount lying in the escrow account shall become liable to forfeiture. Provided where the statutory approvals extend to some but not all Public Shareholders, the Acquirers PAC will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- 7.4.4 There are no conditions stipulated in the SPA between the Selling Shareholders and the Acquirers & PAC, the meeting of which would be outside the reasonable control of the Acquirers & PAC and in view of which the Offer might be withdrawn under regulation 23 of the SEBI (SAST) Regulations.

### **8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT**

#### **8.1 Details of procedure for acceptance and settlement in the Offer**

- 8.1.1 The Acquirers and PAC have appointed Universal Capital Securities Private Limited as the Registrar to the Offer.
- 8.1.2 The Offer is being made to all the registered and unregistered Public Shareholders of the Target Company who own the Equity Shares at any time prior to the closure of Tendering Period, including the beneficial owners of the Equity Shares held in dematerialised form and physical form, except Acquirers, PAC and Promoter Seller including persons deemed to be acting in concert with them in terms of Regulation 7(6) of SEBI (SAST) Regulations, 2011. All registered owners holding Equity Shares in physical form can send duly completed Form of Acceptance, filled and signed in accordance with the instructions contained in the Letter of Offer and Form of Acceptance, before the closure of Tendering Period to the Registrar to the Offer at the collection centre mentioned below:

Name & Address	Contact Person	Working Day / Timings	Mode of Delivery
<b>Universal Capital Securities Pvt. Ltd.</b> 21, Shakil Nivas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri East, Mumbai – 400 093 <b>Tel:</b> 022 2820 7203-05/ 022 2825 7641 <b>Fax:</b> +91 (022) 28207207 <b>Email:</b> <a href="mailto:khade@unisec.in">khade@unisec.in</a>	Sunil Khade	Monday to Friday from 10.30 am – 5pm Saturday from 10.30 am – 1pm	Hand Delivery / Registered Post / Speed Post / Courier

**8.1.3** The Open Offer will be implemented by the Acquirer and PACs through stock exchange mechanism made available by the BSE in the form of separate window (**‘Acquisition Window’**) as provided under the SEBI (SAST) Regulations, 2011 and SEBI circulars CIR/CFD/POLICY/CELL/1/2015, dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017, as amended.

**8.1.4** The facility for acquisition of Equity Shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window (**‘Acquisition Window’**).

**8.1.5** The Acquirer and PACs have appointed Rikhav Securities Limited (**‘Buying Broker’**) for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period. The Contact details of the Buying Broker are as mentioned below:

Particular	Details
<b>Name of the Contact Person</b>	Hitesh H Lakhani
<b>Address</b>	B-35, Matru Chhaya, S N Road, Malad (w), Mumbai – 400080
<b>Tel No</b>	022-25935353
<b>Email</b>	<a href="mailto:info@rikhav.net">info@rikhav.net</a>
<b>Website</b>	<a href="http://www.rikhav.net">www.rikhav.net</a>
<b>SEBI Registration No</b>	INZ000157737

**8.1.6** The Target Company is presently having connectivity with Central Depository Services (India) Limited and National Securities Depositories Limited.

**8.1.7** All Public Shareholders who desire to tender their Equity Shares under the Open Offer would have to approach their respective stock brokers (**‘Selling Broker(s)’**), during the normal trading hours of the secondary market during the Tendering Period. The Selling Brokers can enter orders for dematerialized as well as physical Equity Shares.

**8.1.8** The Selling Broker would be required to place an order/bid on behalf of the Shareholders who wish to tender their Equity Shares in the Offer using the acquisition window of the BSE. Before placing the bid, the concerned Public Shareholder / Selling Broker would be required to transfer the tendered Equity Shares to the special account of Clearing Corporation by using the settlement number and the procedure prescribed by the Clearing Corporation.

**8.1.9** The cumulative quantity tendered shall be displayed on the BSE website throughout the trading session, at specific intervals, during the Tendering Period.

**8.1.10** The cumulative quantity tendered shall be displayed on the BSE website throughout the trading session, at specific intervals, during the Tendering Period.

**8.1.11** Public Shareholders can tender their Equity Shares only through a stock broker with whom the Public Shareholder is registered as client (KYC Compliant).

## **8.2 Details of procedure for acceptance and settlement in the Offer**

- 8.2.1** 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.
- 8.2.2** Equity Shareholders shall submit Delivery Instruction Slips (DIS) duly filled in specifying the appropriate market type in relation to the Open Offer, and execution date along with all other details to their respective depository participant / Selling Broker so that Equity Shares can be tendered in this Offer.
- 8.2.3** 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
- 8.2.4** 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.
- 8.2.5** 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
- 8.2.6** 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.
- 8.2.7** 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.
- 8.2.8** The shareholders 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.

*The Shareholders 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.*

## **8.3 Procedure to be followed by the Shareholders holding Equity Shares in physical form:**

- 8.3.1** The 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:

### **I. For Registered Shareholder**

- A. The form of Acceptance-cum-Acknowledgement duly signed (by all Public 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 shares 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 (in case of joint holders PAN card copy of all transferors);
- 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 authorizations, such as Board Resolutions etc., in case of companies
- F. In addition to the above, if the address of the Shareholders 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.

## **II. For Unregistered Shareholders:**

- A. Form of Acceptance duly completed and signed in accordance with the instructions contained therein;
  - B. Original share certificate(s);
  - C. Original broker contract note;
  - D. Valid share transfer deed(s).
  - E. Self-attested copy of the PAN Card
  - F. The acknowledgement received, if any, from the Target Company in case the Equity Shares have been lodged with the Target Company. Such persons should instruct the Target Company and its Registrar to the Offer to send the transferred share certificate(s) directly to the collection centre as mentioned in above. The applicant should ensure that the share certificate(s) reach the collection centre before the date of Closure of the Tendering Period.
  - G. The details of the buyer should be left blank failing which the same will be invalid under the Open Offer. Unregistered Shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.
- 8.3.2 Selling Broker should place order on the Acquisition Window with the 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.
- 8.3.3 The Seller Broker/investor has to deliver the physical share certificates and documents along with Form of Acceptance cum- Acknowledgement and TRS to the Registrar to the Offer within two days of bidding by Seller Broker and not later than two days from the date of Closure of the Tendering Period.
- 8.3.4 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 shares in the Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA, the bid will be accepted, else rejected, and accordingly the same will be depicted on the exchange platform.
- 8.4 Shareholders who have sent their Equity Share certificates for dematerialization should enclose:**
- A. Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint Shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
  - B. A copy of the dematerialization request form duly acknowledged by the beneficial owners DP. Such Shareholders should ensure that the process of getting shares dematerialized is completed well in time so that the credit in the depository account should be received on or before the Date of Closing of Tendering Period, else the Form of Acceptance, in respect of dematerialized Equity Shares not credited to the Escrow Demat Account, is liable to be rejected. Alternatively, if the Shares sent for dematerialization are yet to be processed by the beneficial owners DP, the Shareholders can withdraw their dematerialization request and tender the Equity Share certificates in the Open Offer as per procedure mentioned in the Letter of Offer.
- 8.4.1 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 shares and physical shares)



validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

8.4.2 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in this Offer. Equity Shares that are the subject of litigation, wherein the Public Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Offer. The Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

## **8.5 Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:**

8.5.1 Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their consent to participate in this Open Offer on the terms and conditions of this Open Offer as set out in the PA, DPS and the Letter of Offer. Any such application must be sent to the Registrar to the Offer at the address mentioned above so as to reach the Registrar to the Offer on or before the date of Closing of the Tendering Period, together with:

- A. **In the case of Equity Shares in physical form:** The registered Shareholders can send their application in writing to the Registrar, on plain paper, stating name, address, the number of Equity Shares held, the number of Equity Shares offered and the distinctive numbers and folio number, together with the original share certificate(s) and valid transfer deeds. Unregistered Shareholders can send their application in writing to the Registrar, on plain paper, stating the name and address of the first holder, name(s) and address(es) of joint holder(s) (if any), the number of Equity Shares held, the number of equity shares offered and the distinctive numbers and folio number, together with the original share certificate(s), valid share transfer deeds and the original contract note(s) issued by the broker through whom they acquired their Equity Shares and/or such other documents as may be specified; Shareholders who have lodged their equity shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of equity shares.
- B. **In the case of Equity Shares held in dematerialized form:** name, address, number of Equity Shares held, number of Equity Shares offered, the Depository Participant (“DP”) name and the DP ID and beneficiary account number, together with a photocopy or counterfoil of the delivery instruction slip in “**off-market**” mode duly acknowledged by the DP for transferring the Equity Shares in favour of the Escrow Demat Account, the details of which are mentioned in above. Any shareholders tendering Equity Shares in dematerialized form should ensure that the Equity Shares are credited in the favour of the Escrow Demat Account during the Tendering Period of this Open Offer.
- *Shareholders who have sent their share certificates for dematerialisation should send a copy of the dematerialized request form duly acknowledged by their depository participant.*
  - *Alternatively, such Eligible Shareholders of the Target Company may download the Form of Acceptance cumacknowledgement in relation to this Open Offer annexed to the Letter of Offer from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.*

**8.6** The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement would also be available at SEBI website i.e. [www.sebi.gov.in](http://www.sebi.gov.in) and Shareholders can also apply by downloading such forms from the said website.

### **8.7 Settlement Process**

**8.7.1** 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 Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.

**8.7.2** The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

**8.7.3** Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of Clearing Corporation.

**8.7.4** The direct credit of Shares shall be given to the demat accounts of the Acquirers indicated by the Acquirers' Buying Broker. For the same, the existing facility of client direct payout in the capital market segment shall be available

**8.7.5** 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.

**8.7.6** 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 Shareholders

**8.7.7** Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Shareholders'/ unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity Shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the Shareholders to ensure that the unaccepted shares are accepted by their respective DPs.

**8.7.8** It may be noted that the Equity Shareholders who have tendered Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptance during the Tendering Period even if the acceptance of Equity Shares under the Offer and dispatch of Consideration gets delayed.

### **8.8 Settlement of Funds/Payment Consideration (For Shareholders holding Equity Shares in demat and physical mode)**

**8.8.1** The settlement of fund obligation for demat and physical shares shall be effected through existing settlement accounts of Seller Broker(s).

**8.8.2** The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Offer, the Seller Broker/custodian participant will receive funds payout in their settlement bank account. The Seller Brokers/custodian participants would pay the Consideration to their respective clients.

**8.8.3** The funds received from Buyer Broker by the Clearing Corporation will be released to the Seller Broker(s) as per secondary market pay out mechanism.

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

- 8.8.5 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 & PAC to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirers & PAC agreeing to pay interest to the Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.
- 8.8.6 The Consideration to the shareholders whose Equity shares have been accepted will be paid by crossed account payee cheques/ demand drafts/ Electronic Clearance Service (ECS) wherever applicable. Such payments through account payee cheques/ demand drafts will be made by registered post at the registered shareholders'/ unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.
- 8.8.7 Shareholders of the Target Company who are either non-resident Indians or Overseas Corporate Bodies and wish to tender their Equity Shares in this Open Offer shall be required to submit all the applicable Reserve Bank of India ("RBI") approvals (specific and general) which they would have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserve the sole right to reject the Equity Shares tendered by such Shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs. While tendering the Equity Shares under the Open Offer, NRIs/OCBs/foreign shareholders will also be required to submit a Tax Clearance Certificate from Income Tax Authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the Consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the rate as may be applicable to the category of the Shareholder under the Income Tax Act, on the entire Consideration amount payable to such Shareholder.

## **8.9 NOTE ON TAXATION**

- 8.9.1 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 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. However, in the budget proposal for the F.Y. 2018-19, it is proposed that sale of listed equity shares held for more than 12 (twelve) months will be subject to long term capital gains tax @ 10% after April 1st 2018. The applicability of the proposal will be subject to approval of the same by both houses of parliament and the President of India. Further, any gain realized 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 provided the transaction is chargeable to STT.

**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 DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A RESULT OF THIS OFFER.**

## **9. DOCUMENTS FOR INSPECTION**

- 9.1 Copies of the following documents are regarded as material documents and are available for inspection at the Corporate Office of Fedex Securities Limited, the Manager to the Offer at 305, Enterprise Centre, Nehru Road, Vile Parle (East), Mumbai - 400 099. The documents can be inspected during normal

business hours (11.00 A.M. to 5.00 P.M.) on all working days (except Saturdays and Sundays and Public/Bank Holidays) from the date of opening of the Offer up till the date of closure of the Offer.

- 9.1.1 Copy of Certificate of Incorporation of the Target Company issued pursuant to Companies Act, 1956 and Memorandum & Article of Association of the Target Company.
- 9.1.2 Copy of Share Purchase Agreement dated March 16, 2018 entered between Acquirers & PAC and Selling Shareholders.
- 9.1.3 The net worth of Harish Agarwal as on February 28, 2018 is Rs. 6,154.81 Lakhs as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office No. 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.
- 9.1.4 The net worth of Anil Nagpal as on February 28, 2018 is Rs. 44,39,73,805 (Rupees Forty Four Crore Thirty Nine Lakhs Seventy Three Thousand Eight Hundred Five only) as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi; and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.
- 9.1.5 The net worth of Gian Aggarwal as on February 28, 2018 is Rs. 77,14,74,325 (Rupees Seventy-Seven Crore Fourteen Lakhs Seventy-Four Thousand Three Hundred and Twenty-Five only) as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office No. 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.
- 9.1.6 The net worth of Alliance India as on February 28, 2018 is Rs. 59,05,16,438 (Rupees Fifty Nine Crore Five Lakhs Sixteen Thousand Four Hundred Thirty Eight only) as certified vide certificate dated March 12, 2018 issued by Asim Jain (Membership No.: 089331) partner of M/s R.K Deepak & Co., Chartered Accountants, having office at Office 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi; and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546.
- 9.1.7 Asim Jain, partner of R.K Deepak & Co. Chartered Accountants (Membership No.: 089331), having office at Office No. 303 – B, Apra Plaza, Plot No. 28, Road No. 44, Pitampura, Delhi and also at Office no. 3232, Sector 15, Chandigarh; Tel. No.: 0172 – 2546546., has certified vide certificate dated March 12, 2018 that sufficient resources are available with the Acquirers & PAC for fulfilling the obligations under this Offer in full.
- 9.1.8 Annual Reports for the financial year ended March 31, 2015, 2016, 2017 and published unaudited limited review financials for the period ended December 31, 2017 of the Target Company.
- 9.1.9 Letter from IndusInd Bank Limited dated March 20, 2018 confirming the balance of Rs. 2,56,88,008 (Rupees Two Crore Fifty-Six Lakhs Eighty-Eight Thousand Eight Only) in the Escrow Account.
- 9.1.10 Copy of Escrow Agreement dated March 16, 2018 entered into between the Acquirers, PACs, Escrow Banker and Manager to the Offer.
- 9.1.11 Copy of Public Announcement dated March 16, 2018, Detailed Public Statement published in the newspapers on April 22, 2018.
- 9.1.12 A copy of the recommendation made by the committee of independent directors of the Target Company, as required in terms of Regulation 26(7) of SEBI (SAST) Regulations.
- 9.1.13 Copy of the letter no. SEBI/HO/CFD/DCR1/OW/P/2018/14348/1 received from SEBI dated May 15, 2018, containing its comments on the Draft Letter of Offer in terms of provisions of Regulation 16(4) of SEBI (SAST) Regulations.

## **10.DECLARATION BY THE ACQUIRERS AND PAC**

- 10.1 The Acquirers and PAC accepts full responsibility jointly and severally for the information contained in the Letter of Offer and also for the obligations of the Acquirers and PAC as laid down in terms of the SEBI (SAST) Regulations. In relation to the information pertaining to the Selling Shareholders and the Target Company, the Acquirer has relied on the information provided by the Target Company, the Selling Shareholders and publicly available sources and have not independently verified the accuracy of such information.
- 10.2 The Acquirers and PAC shall be responsible for ensuring compliances with the provisions of the SEBI (SAST) Regulations for obligations laid down in the SEBI (SAST) Regulations
- 10.3 The Manager to the Offer hereby states that the person signing this Letter of Offer is the Acquirer / duly authorized person to sign the Letter of Offer.

### **ON BEHALF OF THE ACQUIRERS AND PAC**

Sd/-

Harish Agarwal

**(In his individual capacity and through Power of Attorney of other Acquirers and PAC)**

Place: Haryana

Date: May 17, 2018

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**  
**(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**  
 (All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**  
**(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)**

<b>OFFER OPENS ON:</b>	Thursday, May 31, 2018
<b>OFFER CLOSES ON:</b>	Wednesday, June 13, 2018

Please read the Instructions overleaf before filling-in this Form of Acceptance

FOR OFFICE USE ONLY	
<b>Acceptance Number</b>	
<b>Number of Equity Shares Offered</b>	
<b>Number of Equity Shares accepted</b>	
<b>Purchase Consideration (Rs.)</b>	
<b>Cheque/Demand Draft/Pay Order No.</b>	

Status (Please tick appropriate box)					
Individual	<input type="checkbox"/>	FII	<input type="checkbox"/>	Insurance Co	<input type="checkbox"/>
Foreign Co.	<input type="checkbox"/>	NRI/OCB	<input type="checkbox"/>	FVCI	<input type="checkbox"/>
Body Corporate	<input type="checkbox"/>	Bank/FI	<input type="checkbox"/>	Pension/PF	<input type="checkbox"/>
VCF	<input type="checkbox"/>	Partnership/LLP	<input type="checkbox"/>	Others (specify)	<input type="checkbox"/>

<b>From:</b>	
<b>Folio No. /DP ID No. /Client ID No.:</b>	
<b>Name:</b>	
<b>Address:</b>	
<b>Tel No.:</b>	
<b>Fax No.:</b>	
<b>Email:</b>	

To,  
 The Acquirers & PAC  
 C/o Universal Capital Securities Pvt. Ltd  
 21, Shakil Nivas, Opp. Satya Saibaba Temple,  
 Mahakali Caves Road, Andheri East, Mumbai – 400 093

**Sub.: Open Offer for acquisition up to 7,90,400 Equity Shares of Face Value Rs.10 each of Envair Electrodyne Limited (the ‘Target Company’) representing 26% of the Emerging Voting Capital at a price of Rs. 32.50 per Equity Share by Harish Agarwal (“Acquirer-1”), Anil Nagpal (“Acquirer-2”) and Gian Aggarwal (“Acquirer-3”) (Acquirer-1, Acquirer-2 and Acquirer-3 are collectively referred as to “Acquirers”) and along with M/s Alliance India (Person Acting in Concert) (Herein after referred to as “PAC”) pursuant to and in accordance with Regulation 3(1) and 4 read with Regulation 15(1) of the SEBI (SAST) Regulations (“Open Offer”).**

**Dear Sir/Madam,**

1. I/We refer to the Letter of Offer dated May 17, 2018 for acquiring Equity Shares held by me/us in Envair Electrodyne Limited.
2. I/We, the undersigned, have read the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions mentioned therein.

3. I/ We, unconditionally offer to sell to the Acquirers & PAC following Equity Shares in Target Company held by me/ us at a price of Rs. 32.50 (Rupees Thirty Two and paise Fifty Only) per fully paid-up equity share.
4. Details of Equity Shares held and tendered/ offered under the offer:

<b>Ledger Folio No.....Number of share certificates at.....</b>		
<b>Representing ..... Equity Shares</b>		
	<b>In figures</b>	<b>In words</b>
<b>Equity Shares held as on Identified Date (May 17, 2018)</b>		
<b>Number of Equity Shares Offered under the Open Offer</b>		

**DETAILS OF SHARES CERTIFICATE**

<b>Sr. No.</b>	<b>Regd. Folio Number</b>	<b>Share Certificate Number</b>	<b>Distinctive Numbers</b>		<b>Number of Equity Shares</b>
1.					
2.					
3.					
<b>Total Number of Equity Shares</b>					

*In case the number of folios and share certificates enclosed exceed 3 nos., Please attach a separate sheet giving details in the same format as above.*

5. I/We authorize the Acquirers & PAC to accept the Equity Shares so offered or such lesser number of Equity Shares that the Acquirers & PAC may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I/we further authorize the Acquirers & PAC to apply and obtain certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers & PAC to return to me/ us, Equity Share in respect of which the Offer is not found/ not accepted, specifying the reasons thereof.
6. I/ We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers & PAC makes payment of Consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
7. I/ We hereby warrant that the Equity Shares comprised in this Tender Offer are offered under open Offer free from all liens, equitable interest, charges and encumbrance
8. I/ We declare that there are no restraints/ injunctions or other covenants of any nature which limits/ restricts in any manner my/ our right to tender Equity Shares under the Open Offer and that I/ We am/are legally entitled to tender the Equity Shares.
9. I/ We agree that the Acquirers & PAC will pay the Offer Price as per the Stock Exchange mechanism.
10. Details of the other Documents (duly attested) (Please ✓ as appropriate, if applicable) enclosed:

Power of Attorney		Previous RBI approvals for acquiring the Equity Shares of Worldwide Leather Exports Limited hereby tendered in the Open Offer	
Death Certificate		Succession Certificate	
Self-attested copy of PAN Corporate authorizations		Corporate authorizations	
Others (please specify):			

11. Equity Shareholders Details

	1st Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s)				
PAN				
Address of the 1st/ Sole holder				
Telephone of 1st/ Sole holder				
Signature(s)*				

\*Corporate must also affix rubber stamp and sign

**Bank Details**

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS the shareholder(s) may, at their option, provide details of bank account of the first / sole shareholder and the Consideration cheque or demand draft will be drawn accordingly.

I / We permit the Acquirers & PAC or the Manager to the Offer to make the payment of Consideration through Electronic Clearance Service (ECS) of the Reserve Bank of India based on the Bank Account Details provided below and a photo copy of cheque is enclosed.

Savings/Current/ (Others; please specify): \_\_\_\_\_

Name of the Bank Branch: \_\_\_\_\_

Account Number: \_\_\_\_\_ IFSC Code of Bank \_\_\_\_\_

The Permanent Account Number (PAN No.) allotted under Income Tax Act, 1961 is as below:

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN / GIR No.			

**Yours Faithfully,**

**Signed and Delivered**

	FULL NAME (S) OF THE HOLDERS	SIGNATURE(S)
<b>First/Sole Shareholder</b>		
<b>Joint Holder 1</b>		
<b>Joint Holder 2</b>		

**Instructions:**

1. This Offer will open on May 31, 2018 and close on June 13, 2018.
2. This Form of Acceptance has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Form of Acceptance.
3. Eligible Persons who wish to tender their Equity Shares in response to this Open Offer should submit the following documents to the selling member, who in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the RTA:
  - a) The relevant Form of Acceptance duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
  - b) Original share certificates.
  - c) Copy of the Permanent Account Number (PAN) Card.
  - d) Transfer deed (Form SH-4) duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
  - e) A self-attested copy of address proof consisting of any one of the following documents i.e., valid Aadhaar Card, Voter Identity Card, Passport or driving license.
4. Eligible Persons should also provide all relevant documents in addition to above documents which may include (but not limited to):
  - a) Duly attested Power of Attorney if any person other than the Eligible Persons has signed the relevant Tender / Offer Form;
  - b) Notarized copy of death certificate / succession certificate / probated/Will, as applicable in case any Eligible Person has deceased;
  - c) Necessary corporate authorisations, such as Board Resolution / Specimen Signature etc., in case of Companies.
5. All documents / remittances sent by or to Eligible Persons will be at their own risk and the Eligible Persons are advised to adequately safeguard their interests in this regard.
6. All documents as mentioned above shall be enclosed with the valid Form of Acceptance otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others:
  - a) If any other company share certificates are enclosed with the Form of Acceptance instead of the share certificate of the Company;
  - b) Non-submission of Notarized copy of death certificate / succession certificate / probated/Will, as applicable in case any Eligible Person has deceased.
  - c) If the Eligible Person(s) bid the shares but the Registrar does not receive the share certificate; or
  - d) In case the signature in the Form of Acceptance and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar.

**Acknowledgement Slip**  
**SHARES IN PHYSICAL FORM**

**Open Offer to the Public Shareholders of Envair Electrodyne Limited (the “Target Company”) by Harish Agarwal (“Acquirer-1”), Anil Nagpal (“Acquirer-2”) and Gian Aggarwal (“Acquirer-3”) (Acquirer-1, Acquirer-2 and Acquirer-3 are collectively referred as to “Acquirers”) and along with M/s Alliance India.**

Received from Mr./Ms. \_\_\_\_\_.

Ledger Folio No. \_\_\_\_\_ Number of Share Certificate enclosed \_\_\_\_\_ under the Letter of Offer dated May 18, 2018.

FOA, Transfer deeds and Original Share Certificates as details hereunder.

Sr. No.	Share Certificate Number	Distinctive Number (s)		No.(s) of Equity Shares
		From	To	
1.				
2.				
3.				
4.				
5.				
<b>Total No. of Equity Shares</b>				

Stamp of Registrar to the Offer:		Signature of the official:		Date of Receipt:	
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**Note: All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:**

C/o Universal Capital Securities Private Limited  
21 Shakil Niwas Near Satya Saibaba Temple, Mahakali caves Road, Andheri (East) Mumbai – 400 093

**Tel No.** 022-2820-7203/05; 022-2825-7641

**Email:-** [khade@unisec.in](mailto:khade@unisec.in); **Website:-** [www.unisec.in](http://www.unisec.in)

**SEBI Registration No.:-** INR000004082

**Contact Person:** Sunil Khade

Business Hours (Except Public Holidays): Monday to Friday: 9:30 a.m. to 5:30 p.m. and on Saturday: 9:30 a.m. to 1:30 p.m.