

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Letter of Offer (“**LOF**”) will be sent to you as a Public Shareholder (*as defined below*) of Shree Digvijay Cement Company Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager (*as defined below*) / Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*), please hand over the LOF and the accompanying Form of Acceptance (*as defined below*) to the member of stock exchange through whom the said sale was effected.

TRUE NORTH FUND VILLP

A Category II Alternative Investment Fund (AIF) registered under the SEBI (Alternative Investment Funds) Regulations, 2012

LLP Identification number AAK-2395

Registered office: Suite F9C, Grand Hyatt Plaza, Santacruz (East), Mumbai – 400 055, Maharashtra, India;
(Tel: 022-66824821; Fax: 022-66954777)
(hereinafter referred to as the “**Acquirer**”)

MAKES A CASH OFFER OF INR 23.33 (INDIAN RUPEES TWENTY THREE AND THIRTY THREE PAISE ONLY) PER EQUITY SHARE OF FACE VALUE OF INR 10 EACH (“EQUITY SHARE”), TO ACQUIRE UP TO 35,611,817 EQUITY SHARES REPRESENTING 25.1% OF THE EMERGING SHARE CAPITAL (AS DEFINED BELOW), UNDER THE SEBI (SAST) REGULATIONS (AS DEFINED BELOW) FROM THE PUBLIC SHAREHOLDERS OF

SHREE DIGVIJAY CEMENT COMPANY LIMITED

A public limited company incorporated under the Indian Companies Act, 1913

Corporate Identity Number (CIN): L26940GJ1944PLC000749

Registered office: Digvijaygram, Dist. Jamnagar – 361 140, Gujarat, India;
(Tel: 0288-2344272/ 75, Fax: 0288-2344092)
(hereinafter referred to as the “**Target Company**” / “**Target**”)

1. This Offer (*as defined below*) is made pursuant to and in compliance with the provisions of Regulations 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. NRI (*as defined below*) and OCB (*as defined below*) holders of Equity Shares must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including, without limitation, approval from the RBI (*as defined below*)) and submit such approvals along with the Form of Acceptance and other documents required under this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FPIs (*as defined below*)) had required any approvals (including from the RBI, the FIPB (*as defined below*) or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals that they would have obtained for acquiring and holding the Equity Shares of the Target Company to tender Equity Shares held by them pursuant to the Open Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.
5. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
6. As on the date of this Draft Letter of Offer, to the best of the knowledge and belief of the Acquirer, there are no statutory or other approvals required by the Acquirer to complete the acquisition under the SPA (*as defined below*) and the Offer. However, in case of any statutory or other approval being required and/or becoming applicable at a later date before the closing of the Tendering Period (*as defined below*), this Offer would be subject to the receipt of such statutory/ other approvals. Also see the part “Statutory and other Approvals” under Section V (*Terms and Conditions of the Offer*).
7. The Acquirer may withdraw the Offer in accordance with the condition specified in Part C of Section V (*Terms and Conditions of the Offer*) of this Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirer (through the Manager) shall, within two Working Days (*as defined below*) of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (*as defined below*) had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and such public announcement also will be sent to SEBI (*as defined below*), BSE (*as defined below*) and the Target Company at its registered office.
8. The Offer Price (*as defined below*) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirer has acquired any Equity Shares during the Offer period at a price higher than the Offer Price, the Offer

Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the amount kept in the escrow account under Regulation 17 of the SEBI (SAST) Regulations; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement dated November 19, 2018 was published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the BSE and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer. However, the Acquirer shall not acquire any Equity Shares during the period commencing from 3 (three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period.

9. **There has been no competing offer as of the date of this Draft Letter of Offer. If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**

A copy of the Public Announcement (*as defined below*), the Detailed Public Statement and the Draft Letter of Offer is also available on the website of SEBI (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, India Tel: +91 22 6630 3030 Fax: +91 22 6630 3330 Email: sd.openoffer@jmf.com Contact Person: Ms. Prachee Dhuri SEBI Registration Number: INM000010361</p>	 <p>Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 Tel: +91 22 4918 6200 Fax: +91 22 4918 6195 Email: sd.openoffer@linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration Number: INR000004058</p>

The tentative schedule of key activities under the Offer is as follows:

Activity	Schedule of activities (Day & Date)
Date of the Public Announcement	Monday, November 12, 2018
Date of publication of the Detailed Public Statement	Monday, November 19, 2018
Filing of the Draft Letter of Offer with SEBI	Wednesday, November 28, 2018
Last date for public announcement of a competing offer(s)*	Wednesday, December 12, 2018
Last date for receipt of SEBI observations on the Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Wednesday, December 19, 2018
Identified Date [#] (as defined below)	Friday, December 21, 2018
Last date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appear on the register of members on the Identified Date	Monday, December 31, 2018
Last date by which the committee of the independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company for this Offer	Wednesday, January 02, 2019
Last date for upward revision of the Offer Price / Offer Size (as defined below)	Thursday, January 03, 2019
Date of publication of Offer Opening Public Announcement (as defined below) in the newspapers in which the Detailed Public Statement has been published	Friday, January 04, 2019
Date of commencement of the Tendering Period (“ Offer Opening Date ”)	Monday, January 07, 2019
Date of closure of the Tendering Period (“ Offer Closing Date ”)	Friday, January 18, 2019
Last date for communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Friday, February 01, 2019
Last date for publication of post-Offer public announcement in the newspapers in which the Detailed Public Statement has been published	Friday, February 08, 2019

* There have been no competing offers as of the date of the Draft Letter of Offer.

The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that subject to Section V (Terms and Conditions of the Offer) below, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time on or prior to the Offer Closing Date.

This schedule of activities is tentative and is subject to SEBI’s review process and any changes that may be required for any reason, including, but not limited to, delay in receipt of approvals (if any) or comments from regulatory authorities (if any).

RISK FACTORS

Relating to the transaction:

In accordance with the SPA, the acquisition of the Sale Shares (*as defined below*) shall be completed upon the satisfaction of certain conditions agreed between the Acquirer and the Sellers (*as defined below*). Details of each of these conditions have been outlined in paragraph 4 of Part A of Section I (*Details of the Offer*) of this Draft Letter of Offer.

Relating to the Open Offer:

1. In the event that either: (a) regulatory or statutory approvals, as required, are not received in time; or (b) there is any order of a governmental authority or in a litigation leading to a stay/injunction on the Open Offer or that restricts/restrains the Acquirer from performing its obligations hereunder; or (c) SEBI instructs the Acquirer not to proceed with the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. In case the delay is due to non-receipt of statutory approval(s), then in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of approvals was not due to any wilful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Open Offer subject to the Acquirer agreeing to pay interest to the validly tendering shareholders at such rate as may be specified by SEBI. Where the statutory approvals extend to some but not all the shareholders, the Acquirer will have the option to make payment of the consideration to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
2. The acquisition of the Equity Shares tendered by NRIs and erstwhile OCBs, if any, is subject to the requisite approval or exemption being obtained including the approval from the RBI. NRIs and OCBs holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals along with the other documents required to accept the Open Offer. Further, if holders of Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs) had required any approval from the RBI or any other regulatory body in respect of the Equity Shares held by them in the Target Company, they will be required to submit such previous approvals that they would have obtained for acquiring and holding the Equity Shares of the Target Company to tender Equity Shares held by them pursuant to the Open Offer, along with the other documents required to be tendered to accept the Open Offer as mentioned in the Draft Letter of Offer. In the event such approvals and supporting documents are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Open 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 a repatriable basis or a non-repatriable basis.
3. The Acquirer may withdraw the Offer in accordance with the terms and conditions specified in Section V (*Terms and Conditions of the Offer*) of this Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirer (through the Manager) shall, within two Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement dated November 19, 2018 had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and such public announcement also will be sent to SEBI, BSE and the Target Company at its registered office.
4. The tendered Equity Shares and documents will be held in trust for the benefit of the Public Shareholders, who have tendered Equity Shares in the Open Offer, by the Clearing

Corporation (*as defined below*)/ Registrar to the Offer until such time the process of acceptance of tenders of Equity Shares under the Open Offer and the payment of consideration is completed. Once tendered, the Public Shareholders will not be able to trade in such Equity Shares. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer. The Public Shareholders will be solely responsible for their decisions regarding participation in this Open Offer.

5. Shareholders who tender the Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptances during the Tendering Period, even if the acceptance of the Equity Shares in this Open Offer and/or dispatch of consideration is delayed.
6. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Draft Letter of Offer (DLoF)/ Detailed Public Statement (DPS)/ Public Announcement (PA); anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his/ her/ its own risk.
7. Public Shareholders are advised to consult their respective stockbroker, legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for assessing further risks with respect to their participation in the Open Offer, and related transfer of Equity Shares of the Target Company to the Acquirer. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer, and all shareholders should independently consult their respective tax advisors.
8. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer 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 Acquirer 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.

Relating to the Acquirer:

1. The Acquirer or the Manager make no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
2. The Acquirer makes no assurance with respect to its investment/ divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer makes no assurance with respect to the market price of the equity shares of the Target Company before, during or after the Open Offer and expressly disclaims 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 Open Offer.
4. Upon completion of the Open Offer (assuming full acceptances in the Open Offer) and the underlying transaction pursuant to the SPA, the public shareholding of the Target Company may fall below the minimum level of public shareholding as required to be maintained as per Regulation 38 of the SEBI (LODR) Regulations (*as defined below*) read with Rule 19A of the SCRR (*as defined below*). While the Acquirer is required to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the SCRR as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and the

SEBI (LODR) Regulations, within the time period stated therein through permitted routes and any other such routes as may be approved by SEBI from time to time, any failure to comply with the conditions of aforesaid regulations could have an adverse effect on the price and tradability of the equity shares of the Target Company.

5. The information pertaining to the Target Company and/or the Sellers contained in the PA or DPS or DLoF (*as defined below*) or any other advertisement/ publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or Sellers, as the case may be, or publicly available sources. The Acquirer does not accept any responsibility with respect to any misstatement by the Target Company and/or the Sellers in relation to such information.

The risk factors set forth above are indicative only and are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or associating with the Acquirer. The risk factors set forth above do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation or otherwise by any Public Shareholder in the Offer. Public Shareholders are advised to consult their respective stockbroker, legal, financial, tax, investment or other advisors and consultants for an understanding of the further risks associated with their participation in the Offer.

For capitalized terms used herein, please refer to the section on Definitions and Abbreviations set out below.

DISCLAIMER FOR U.S. PERSONS:

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

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES:

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

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to “**Rs.**”/ “**INR**” are to Indian Rupee(s), the official currency of India.

In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

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DEFINITIONS / ABBREVIATIONS

Particulars	Details / Definition
Acquirer	True North Fund VI LLP
AIF Regulations	Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended
Bank Guarantee	An unconditional, irrevocable and on demand bank guarantee dated November 14, 2018 having bank guarantee number 240GT01183180004 of an amount of INR 207,705,923.00 (Indian Rupees Two Hundred and Seven Million Seven Hundred and Five Thousand Nine Hundred and Twenty Three only) from HDFC Bank Limited (acting through its branch, Sandoz House Branch, Dr Annie Besant Road, Worli, Mumbai – 400018), issued in favor of the Manager to the Offer.
BSE	BSE Limited
Clearing Corporation	Indian Clearing Corporation Limited
Detailed Public Statement / DPS	The detailed public statement dated November 19, 2018 in connection with the Offer, published on behalf of the Acquirer on November 19, 2018.
DP	Depository Participant
Draft Letter of Offer / DLoF	This Draft Letter of Offer dated November 28, 2018 filed with the SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations
Emerging Share Capital	141,642,525 Equity Shares of the Target Company on a fully diluted basis expected as of the tenth (10 th) working day from the closure of the tendering period of the Open Offer, and includes (i) 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company; (ii) 3,035 Equity Shares, which were issued by the Target Company but have not been subscribed, but excludes 1,120 Equity Shares which were forfeited by the Target Company.
Equity Share(s)	Equity shares of the Target Company with face value of INR 10 (Indian Rupees Ten Only) each
Equity Share Capital	The total issued equity share capital of the Target Company on a fully diluted basis as on the date of the PA, and does not include (i) 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company; (ii) 3,035 Equity Shares, which were issued by the Target Company but have not been subscribed; and (iii) 1,120 Equity Shares which were forfeited by the Target Company.
Escrow Account – Cash	The escrow account named “True North Fund VI LLP – Open Offer Escrow Account” opened with Escrow Bank (at its branch at Ground Floor, Jehangir Building, M G Road, Fort, Mumbai)
Escrow Bank	HDFC Bank Limited
Escrow Agreement	Escrow agreement dated November 14, 2018 entered into among the Acquirer, the Escrow Bank and the Manager
FEMA	Foreign Exchange Management Act, 1999, as amended
FIIIs	Erstwhile Foreign Institutional Investor(s), as defined under Section 2(1)(f) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.

Particulars	Details / Definition
FIPB	Erstwhile Foreign Investment Promotion Board or the Foreign Investment Facilitation Portal, and which shall include the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
FPIs	Foreign Portfolio Investor(s), as defined under Regulation 2(h) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
Identified Date	The date falling on the 10 th Working Day prior to the commencement of the Tendering Period
Income Tax Act/ IT Act	The Income Tax Act, 1961, as amended
LOF	Letter of Offer dated [•]
SPA	A share purchase agreement dated November 12, 2018 executed amongst the Acquirer and the Sellers.
LLP	Limited Liability Partnership
Manager/ Manager to the Offer	JM Financial Limited
Maximum Open Offer Consideration	INR 830,823,691 (Indian Rupees Eight Hundred and Thirty Million Eight Hundred and Twenty Three Thousand Six Hundred and Ninety One only) (rounded to the nearest rupee), being the maximum consideration payable under this Offer assuming full acceptance
NOC	No-objection certificate
NRIs	Non-resident Indians
OCBs	Overseas Corporate Bodies
Offer / Open Offer	Open offer being made by the Acquirer to the Public Shareholders of the Target to acquire up to 35,611,817 Equity Shares, representing 25.1% of the Emerging Share Capital, at a price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise Only) per Equity Share
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirer
Offer Price	INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise Only) per Equity Share
Offer Shares/ Offer Size	35,611,817 Equity Shares, representing 25.1% of the Emerging Share Capital
PAN	Permanent Account Number
Promoter(s)	Promoter(s) of the Target Company and shall have the meaning ascribed to the term under the SEBI (SAST) Regulations
Promoter Group	Promoter Group of the Target Company and shall have the meaning ascribed to the term under the SEBI (SAST) Regulations
Public Announcement / PA	The public announcement in connection with the Offer dated November 12, 2018 issued by the Manager on behalf of the Acquirer
Public Shareholder(s)	All equity shareholders of the Target Company other than the Promoters,

Particulars	Details / Definition
	Promoter Group, parties to the SPA and any persons acting or deemed to be acting in concert with any of them
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
Sale Shares	106,030,708 Equity Shares representing 75.00% of the Equity Share Capital as agreed to be purchased by the Acquirer from the Sellers under the SPA
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Seller 1	Votorantim Cimentos EAA Inversiones S.L.
Seller 2	Votorantim Cimentos S.A.
Sellers	Seller 1 and Seller 2, referred to collectively
Target/ Target Company	Shree Digvijay Cement Company Limited
Tendering Period	Period expected to commence from January 7, 2019 to January 18, 2019, both days inclusive
TRS	Transaction Registration Slip
Working Day(s)	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations

* All capitalized terms used in this DLoF, but not otherwise defined herein, shall have the meanings ascribed thereto or in the SEBI (SAST) Regulations.

DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER 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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, JM FINANCIAL LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 28, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

I. DETAILS OF THE OFFER

A. Background of the Offer

1. The Offer is being made by the Acquirer to the Public Shareholders of the Target Company in accordance with Regulations 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. The Acquirer has entered into the SPA wherein it is proposed that the Acquirer shall purchase from the Sellers, 106,030,708 (One Hundred and Six Million Thirty Thousand Seven Hundred and Eight) Equity Shares of the Target Company, which constitutes 75.0% of the Equity Share Capital. The said sale of the Equity Shares held by the Sellers is proposed to be executed for a consideration aggregating up to INR 1,672,043,412 (Indian Rupees One Billion Six Hundred and Seventy Two Million Forty Three Thousand Four Hundred and Twelve only) for all Equity Shares held by the Sellers i.e. at a price of up to INR 15.77 (Indian Rupees Fifteen and Seventy Seven Paise only) per fully paid up Equity Share (the “Underlying Transaction”).
3. The details of the Underlying Transaction are set out below:

Type of transaction (direct/indirect)	Mode of transaction (Agreement/Allotment/market purchase)	Shares / Voting rights acquired / proposed to be acquired		Total consideration for shares / voting rights (VR) acquired (in INR)	Mode of payment	Regulation which has triggered
		Number	% vis-à-vis total equity / voting capital			
Direct	Purchase of Equity Shares of the Target Company held by the Sellers pursuant to the SPA dated November 12, 2018 entered into between the Acquirer, and the Sellers	106,030,708 [#]	75.0 of the Equity Share Capital	Upto INR 1,672,043,412, payable in accordance with the terms of the SPA	Cash	3(1) and 4 of the SEBI (SAST) Regulations

[#]This is the sum of all equity shares proposed to be sold by the Sellers pursuant to the SPA.

4. Completion of the Underlying Transaction as envisaged under the SPA is subject to satisfaction of certain closing conditions as set out in the SPA including: certain intimations by the Target Company to lenders and third parties; compliance by Sellers with terms and conditions of Consents (as defined in SPA) in all material respects; if there is an Adverse Order (as defined in the SPA), such Adverse Order having been vacated, dismissed or stayed;

the Sellers exercising all rights and powers as shareholders of the Target Company to cause the Target Company to refrain from undertaking any matter which would prevent the transactions contemplated in the SPA and the Transaction Documents (as defined in the SPA) including undertaking any wind up, de-registration, merger or amalgamation with any other entity.

5. The Sellers and the Acquirer have made certain representations and warranties and covenants as mentioned in the SPA which are customary for transactions such as the Underlying Transaction. The Sellers, joint and severally, have provided certain indemnities to the Acquirer and/or the Target Company under certain circumstances including breach of any warranty by the Sellers.
6. The SPA may be terminated *inter alia* in the following circumstances (i) by the Purchaser on occurrence of an event that results in or constitutes a Material Adverse Effect (as defined in the SPA); (ii) by either party in the event the closing does not take place by the Long Stop Date (as defined in the SPA); (iii) by mutual agreement between the Acquirer and the Seller 1.
7. Completion of the Offer is subject to the condition to closing under the SPA as set out below, which is outside the reasonable control of the Acquirer, if the same is not satisfied by expiry of 11 months from the date of execution of the SPA or such other date as may be mutually agreed between the parties to the SPA (“**Long Stop Date**”):
 - if there is an Order (as defined in the SPA) which restricts any party to the SPA from consummating the sale and purchase of the Equity Shares held by the Sellers under the SPA (“**Adverse Order**”), such Adverse Order having been vacated, dismissed or stayed.
8. Upon the consummation of the transactions contemplated in the SPA, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company, in accordance with Regulation 31A of the SEBI (LODR) Regulations and the Sellers shall cease to be the promoters and shall be re-classified in accordance with the provisions of Regulation 31A of the SEBI (LODR) Regulations. Consequently, the board of directors of the Target Company shall be reconstituted in accordance with the SPA (including by way of appointment of the nominees of the Acquirer and resignation of Mr. Jorge Alejandro Wagner, Mr. Persio Morassutti and Ms. Meike Albrecht) and applicable law.
9. The Acquirer, as on the date of the DLoF, has not been prohibited by SEBI from dealing in securities, pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
10. As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the board of directors of the Target Company is required, upon receipt of the Detailed Public Statement, to constitute a committee of independent directors to provide their reasoned recommendations on the Offer. The reasoned recommendations are required to be published at least two (2) Working Days prior to the commencement of the Tendering Period in the same newspapers where the DPS was published, and simultaneously a copy of such recommendations is required to be sent to SEBI, the BSE and to the Manager.

B. Details of the proposed Offer

1. The Public Announcement in connection with the Offer was made on November 12, 2018 to the BSE and a copy thereof was also sent to SEBI and the Target Company at its registered office on November 13, 2018.
2. The Detailed Public Statement was published on November 19, 2018 in all editions of Financial Express (English), all editions of Jansatta (Hindi), the Mumbai edition of Navshakti

(Marathi) and the Jamnagar edition of Nobat (Gujarati). A copy of the PA and Detailed Public Statement are also available on the website of SEBI (www.sebi.gov.in).

3. The Offer is being made by the Acquirer to the Public Shareholders of the Target Company in accordance with Regulations 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations.
4. This Offer is being made by the Acquirer to all the Public Shareholders of the Target Company, to acquire up to 35,611,817 Equity Shares (“**Offer Shares**”) representing 25.1% of the Emerging Share Capital of the Target Company as on the 10th Working Day after closure of the Tendering Period (“**Offer Size**”), at an offer price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Equity Share (“**Offer Price**”) aggregating to a total consideration of INR 830,823,691 (Indian Rupees Eight Hundred and Thirty Million Eight Hundred and Twenty Three Thousand Six Hundred and Ninety One only) (rounded to the nearest rupee) (“**Maximum Open Offer Consideration**”). As of the date of this DLoF, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company. The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
5. To the best of the knowledge of the Acquirer, there are no other statutory or other approval(s) required by the Acquirer to complete the acquisition under the SPA or of the Offer Shares as on the date of this DLoF. If, however, any statutory or other approval(s) being required by the Acquirer at a later date prior to the completion of the tendering period of the Offer, the Offer would be subject to such statutory or other approval(s) being obtained.
6. The acquisition of the Offer Shares from NRIs and erstwhile OCBs, if any, is subject to the requisite approval or exemption being obtained including the approval from the RBI. Where any such statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer. Where any statutory or other approval(s) extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Offer.
7. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, the Acquirer shall have the right to withdraw the Offer if the condition set out in paragraph 7 of Part A of Section I (*Details of the Offer*) above, which is outside the reasonable control of the Acquirer, is not satisfied or any statutory approvals that are required by the Acquirer or that become applicable prior to completion of the Offer are not received.
8. In the event of withdrawal of the Offer pursuant to paragraph 7 above under Regulation 23(1) of the SEBI (SAST) Regulations, the same would be notified, in accordance with Regulation 23 of the SEBI (SAST) Regulations by way of a public announcement in the same newspapers in which the Detailed Public Statement had appeared and SEBI, the BSE and the Target Company would simultaneously be informed in writing (in the case of the Target Company, at its registered office).
9. The Offer Price may be subject to revisions pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer, at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations.

10. There are no partly paid-up Equity Shares in the share capital of the Target Company. There were 1,120 Equity Shares, which were partly paid-up but have been forfeited by the Target Company. Additionally, there are 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company pending settlement of certain disputes and 3,035 Equity Shares which were issued by the Target Company but have not been subscribed.
11. The Offer is not conditional on any minimum level of acceptance by the Public Shareholders of the Target Company in terms of Regulation 19 of the SEBI (SAST) Regulations.
12. There has been no competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. Further, there is no differential price being offered for the Equity Shares tendered in this Offer.
13. Other than the transaction detailed in Part A of Section I (*Details of the Offer*) above, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, the Acquirer, its Designated Partners, Key Persons, sponsor and manager of the Acquirer do not hold any ownership/ interest/ relationship/ shares in the Target Company. Further, none of the Designated Partners are directors on the Board of the Target Company.
14. Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of the SCRR require the Target Company to maintain minimum public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. Upon the completion of the Offer and underlying transaction pursuant to the SPA, if the public shareholding of the Target Company falls below the minimum level of public shareholding, as required to be maintained by the Target Company under the SCRR and the SEBI (LODR) Regulations, the Acquirer undertakes to take necessary steps to facilitate compliance by the Target Company with the relevant provisions under the SCRR, as required under Regulation 7(4) of the SEBI (SAST) Regulations and/ or the SEBI (LODR) Regulations, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% of the equity share capital within 12 (twelve) months from the date of such fall in the public shareholding below 25%, through permitted routes and/ or any other such routes as may be approved by SEBI from time to time.
15. The Equity Shares will be acquired by the Acquirer 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 all necessary consents for it to sell the Equity Shares on the foregoing basis.
16. The Manager to the Offer shall not deal on its own account in the Equity Shares of the Target Company during the Offer period.
17. The Acquirer has not acquired any Equity Shares of the Target Company from the date of the Public Announcement and up to the date of this Draft Letter of Offer.

C. Object of the Acquisition/ Offer

1. The Target Company is presently engaged in the business of manufacturing, selling, export, import and dealing in cement and clinkers. The Open Offer is being made in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations as a result of the proposed acquisition by the Acquirer of shares and voting rights in excess of 25% of the equity share capital of the Target Company accompanied with control in terms of the SPA. The Acquirer intends to continue and strengthen the existing activities of the Target Company and work with the management and employees of the Target Company to grow the business of the Target Company.

2. Upon the consummation of the transactions contemplated in the SPA, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company, in accordance with Regulation 31A of the SEBI (LODR) Regulations and the Sellers shall cease to be the promoters and shall be re-classified in accordance with the provisions of Regulation 31A of the SEBI (LODR) Regulations.
3. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, as of the date of this DLoF, the Acquirer has no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company during the period of 2 (two) years following the completion of the Offer except:
 - a. in the ordinary course of business; or
 - b. on account of regulatory approvals or conditions, or compliance with any law that is or becomes binding on or applicable to the operations of the Target Company; or
 - c. as has already been disclosed by the Target Company in the public domain, i.e. proposed Scheme of Arrangement between Shree Digvijay Cement Company Limited and its equity shareholders under Section 230 to Section 232 read with Section 66 and other applicable provisions of Companies Act, 2013, in respect of which BSE Limited has issued observation letter dated October 25, 2018 and which may hereafter be submitted to the National Company Law Tribunal for approval.
4. Other than the above, if the Target Company is required to alienate any material asset of the Target Company, within a period of 2 (two) years from completion of the Offer, the Target Company shall seek the approval of its shareholders as per the proviso to Regulation 25(2) of SEBI (SAST) Regulations.

II. BACKGROUND OF THE ACQUIRER

A. ACQUIRER – True North Fund VI LLP

1. The Acquirer, a limited liability partnership (“**LLP**”), was incorporated on August 7, 2017 under the Limited Liability Partnership Act, 2008, with LLP Identification number AAK-2395. Its registered office is located at Suite F9C, Grand Hyatt Plaza, Santacruz (East), Mumbai – 400 055, Maharashtra, India. There has been no change in the name of the Acquirer since the time of its incorporation.
2. The principal activity of the Acquirer is that of making investments and the Acquirer is registered with SEBI as a Category II Alternative Investment Fund (AIF), with Registration Number IN/AIF2/17-18/0505 as per the certificate of registration dated November 23, 2017, under the AIF Regulations.
3. There is no other person/entity acting in concert with the Acquirer for the purposes of this Offer.
4. The Acquirer is an LLP and does not have any shares and therefore shares of the Acquirer are not listed on any stock exchange in India.
5. The group to which the Acquirer belongs is True North.
6. The Acquirer has only 1 (one) limited partner, namely Indium VI Mauritius Holdings Limited, which has made capital commitments in excess of 10% of the total capital commitments as on date, in terms of the limited liability partnership agreement dated April 23, 2018. The details of the total capital commitments of the Acquirer as of September 30, 2018 are provided below:

Partners of the LLP	% of Capital Commitments
Indium VI Mauritius Holdings Limited	85.94%
Other Partners	14.06%
Total	100.00%

7. The persons in control of the Acquirer are set out in paragraphs 8-10 below of this part of the DLoF.
8. True North Managers LLP is the sponsor of the Acquirer and True North Enterprise Private Limited is the manager of the Acquirer, as per the provisions of the AIF Regulations.
9. The Designated Partners of the Acquirer are:
 - a) Mr. Surendra Ambalal Dave, as nominee of the manager of the Acquirer (DIN: 00001480); and
 - b) Mr. Suresh Narsappa Talwar, as nominee of the sponsor of the Acquirer (DIN: 00001456).
10. The Key Persons of the Acquirer are:
 - a) Mr. Vishal Nevatia;
 - b) Mr. Pramod Kabra;
 - c) Mr. Srikrishna Dwaram; and

d) Mr. Divya Sehgal.

11. The details of the Designated Partners of the Acquirer are provided below:

Details	Qualifications & Experience
Name: Surendra Ambalal Dave DIN: 00001480 Date of appointment: August 7, 2017 Designation: Designated Partner (as nominee of the manager of the Acquirer)	He has a Doctorate in Economics and Masters in Economics from University of Rochester. He is a Designated Partner of True North Fund VI LLP.
Name: Suresh Narsappa Talwar DIN: 00001456 Date of appointment: August 7, 2017 Designation: Designated Partner (as nominee of the sponsor of the Acquirer)	He is a law graduate from the Government Law College, Bombay. He is a Designated Partner of True North Fund VI LLP.

12. None of the Designated Partners of the Acquirer are directors on the board of directors of the Target Company.

13. Other than the transaction detailed in Part A of Section I (*Details of the Offer*) above, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DLoF, the Acquirer, its Designated Partners, Key Persons, sponsor and manager of the Acquirer do not hold any ownership/ interest/ relationship/ shares in the Target Company.

14. The Acquirer, as of the date of DLoF, has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

15. The Acquirer is not categorized as a “wilful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.

16. The Acquirer’s financial information based on its audited financial statements for the period from August 7, 2017 (incorporation date) to March 31, 2018 and the unaudited statements for the 3 months period ended June 30, 2018, are as set out here below:

(In INR Lakhs)

Particulars	For the 3 (three) months ended June 30, 2018 (Limited reviewed)	For the period from August 7, 2017 to March 31, 2018 (Audited) ⁽¹⁾
Income from operations	Nil	Nil
Other Income	Nil	Nil
Total Income	Nil	Nil
Total Expenses	2.21	346.06
Net Investment Loss	2.21	346.06
Net Realized Gains/ (Losses)	Nil	Nil

Particulars	For the 3 (three) months ended June 30, 2018 (Limited reviewed)	For the period from August 7, 2017 to March 31, 2018 (Audited)⁽¹⁾
on Investments		
Net Decrease in Partners' Capital resulting from operations	2.21	346.06
Loans Payable	Nil	Nil
Accounts Payable and Accrued Expenses	348.27	346.06
Due to limited partners	Nil	Nil
Due to affiliates	Nil	Nil
Total Liabilities (A)	348.27	346.06
Limited Partners	Nil	Nil
General Partners	Nil	Nil
Total Partner's Capital (B)	Nil	Nil
Accumulated Profits/ (Losses) (C)	(348.27)	(346.06)
Total (A+B+C)	Nil	Nil
Investments at fair value	Nil	Nil
Cash and cash equivalents	Nil	Nil
Pending deal costs	Nil	Nil
Other assets	Nil	Nil
Deferred financing costs, net	Nil	Nil
Due from limited partners	Nil	Nil
Due from affiliates	Nil	Nil
TOTAL	Nil	Nil
Dividend (%)	NA	NA
Basic Earnings Per Share ⁽²⁾	NA	NA

(Source: Statutory auditor certificate dated November 13, 2018 issued by Deloitte Haskins & Sells LLP, Chartered Accountants having firm registration number- 117366W/W-100018.)

Notes:

(1) As the LLP was formed on August 7, 2017, there is no financial information for the period prior to this.

(2) Not applicable as the Acquirer is a Limited Liability Partnership.

17. The Acquirer does not have any major contingent liabilities as on March 31, 2018.

III. BACKGROUND OF THE TARGET COMPANY

1. The Target Company is a public limited company incorporated on November 6, 1944, under the Indian Companies Act, 1913, in Gujarat, India. There has been no change in the name of the Target Company since incorporation.
2. The Target Company has its registered office at Digvijaygram, District Jamnagar – 361 140, Gujarat, India; Tel: 0288-2344272/ 75 and Fax: 0288-2344092. The Corporate Identity Number (CIN) of the Target Company is L26940GJ1944PLC000749.
3. The Target Company is predominantly engaged in the business of manufacturing, selling, export, import and dealing in cement and clinkers. The Target Company commenced commercial operations in 1949. The Target Company has one manufacturing facility at Sikka (via Jamnagar) with installed capacity of 10.75 lacs metric tonne per annum and licensed capacity of 12 lacs metric tonne per annum.
4. The Equity Shares of the Target Company are listed on the BSE (Scrip ID: SHREDIGCEM, Scrip Code: 502180) and are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations (further details provided in Section IV (*Offer Price and Financial Arrangements*) below) and are not suspended from trading on BSE. The ISIN of the Target Company is INE232A01011.
5. As on the date of the PA, DPS and this DLoF, the Sellers are the only promoters of the Target Company.
6. The Target Company has complied with the listing requirements and no penal/punitive actions have been taken by BSE. As on the date of the DLOF, all Equity Shares issued by the Target Company are listed other than 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company and 3,035 Equity Shares, which were issued by the Target Company but have not been subscribed.
7. As of the date of this DLoF the authorized share capital of the Target Company is INR 2,500,000,000 (Indian Rupees Two and Half Billion only) divided into 150,000,000 (One Hundred and Fifty Million) Equity Shares of face value of INR 10 (Indian Rupees Ten only) each, and 10,000,000 (Ten Million) preference shares of face value of INR 100 (Indian Rupees Hundred only).
8. As on the date of this DLoF, the Equity Share Capital of the Target Company is as follows:

Paid-up equity shares of Target Company	No. of equity shares/voting rights	% of Equity Share Capital
Fully paid-up Equity Shares*	141,374,278	100%
Partly paid-up equity shares*	NIL	NA
Total paid-up equity shares	141,374,278	100%
Total voting rights in the Target Company	141,374,278	100%

**Other than (i) 265,212 Equity Shares, allotment of which is kept in abeyance by the Target; (ii) 1,120 Equity Shares (which were partly paid-up and forfeited in past) are not included above; and (iii) 3,035 Equity Shares which were issued but unsubscribed.*

9. The issued equity share capital of the Target Company is INR 1,416,436,450 (Indian Rupees One Billion Four Hundred and Sixteen Million Four Hundred and Thirty Six Thousand and Four Hundred and Fifty only) comprising 141,643,645 (One Hundred Forty One Million Six Hundred Forty Three Thousand Six Hundred Forty Five) Equity Shares of INR 10 (Indian Rupees Ten only) each, including (i) 265,212 (Two Hundred Sixty Five Thousand Two

Hundred Twelve) Equity Shares of INR 10 (Indian Rupees Ten only) each, which have been issued pursuant to rights issues by the Target Company and the allotment of which is kept in abeyance pending settlement of certain disputes; (ii) 3,035 Equity Shares which were issued by the Target Company that were unsubscribed; and (iii) 1,120 Equity Shares which were forfeited by the Target Company.

10. The Emerging Share Capital of the Target Company calculated in compliance with Regulation 7 of the SEBI (SAST) Regulations is as follows:

Particulars	No. of Equity Shares	% of Emerging Share Capital
Fully paid up Equity Shares as of PA ⁽¹⁾	141,374,278	99.81%
Partly paid up Equity Shares as of PA ⁽²⁾	NIL	NA
Employee stock options outstanding	NIL	NA
Warrants convertible into equity share(s) each	NIL	NA
Equity Shares kept in abeyance	265,212	0.19%
Equity Shares which were issued by the Target Company but have not been subscribed	3,035	0.002%
Emerging Share Capital (Total)	141,642,525	100.00%

Notes:

- (1) Other than 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company and 3,035 Equity Shares which were issued but unsubscribed.
- (2) 1,120 Equity Shares, which were partly paid-up and forfeited in past, are not included in the Emerging Share Capital.
11. The Target Company does not have partly paid-up equity shares as on date. There were 1,120 Equity Shares, which were partly paid-up but have been forfeited by the Target Company. Additionally, there are 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company pending settlement of certain disputes and 3,035 Equity Shares, which were issued by the Target Company but remain unsubscribed.
12. The Equity Shares of the Target Company have not been delisted from any stock exchange in India. Further, there has not been any non-listing of the Equity Shares by the Target Company, other than 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company, 3,035 Equity Shares which were issued but unsubscribed, and 1,120 Equity Shares, which were partly paid-up and forfeited in past.
13. Trading of the Equity Shares of the Target Company is not currently suspended on the Stock Exchanges. As on the date of the DLoF, there are no outstanding instruments (warrants, compulsorily convertible debentures, compulsorily convertible preference shares, optionally convertible debentures or preference shares or partially convertible debentures) that are convertible into Equity Shares.
14. There are no locked-in shares of the Target Company in accordance with the SEBI (ICDR) Regulations.
15. The details of the board of directors of the Target Company as of the date of the Draft Letter of Offer are provided below.

Name of Director	Date of Appointment as Director	DIN	Current Designation
Mr. A. K. Chhatwani	April 24, 2013	00016735	Chairman and Independent Director
Mr. Arcot Kumaresan	June 5, 2013	00149567	Independent Director

Name of Director	Date of Appointment as Director	DIN	Current Designation
Mr. Jorge Alejandro Wagner	January 24, 2018	07935739	Director (Non-Executive)
Mr. Persio Morassutti	February 25, 2015	07105548	Director (Non-Executive)
Ms. Meike Albrecht	March 26, 2015	07123752	Director (Non-Executive)
Mr. K.K. Rajeev Nambiar	November 1, 2015	07313541	CEO and Managing Director

16. The Target Company has not been party to any scheme of amalgamation, restructuring, merger / demerger and spin off during the last three years, other than as disclosed in paragraph 3(c) of Part C of Section I (*Details of the Offer*) (i.e. proposed Scheme of Arrangement between Shree Digvijay Cement Company Limited and its equity shareholders under Section 230 to Section 232 read with Section 66 and other applicable provisions of Companies Act, 2013, in respect of which BSE Limited has issued observation letter dated October 25, 2018 and which may hereafter be submitted to the National Company Law Tribunal for approval).
17. Brief audited financials of the Target Company as of and for the 15 months ended March 31, 2016 and each of the financial years ended March 31, 2017 and March 31, 2018, and six month period ended September 30, 2018 which are limited reviewed, are as specified below:

(In INR Lacs)

Particulars	Six months ended September 30, 2018	Year ended March 31, 2018	Year ended March 31, 2017	15 months period ended March 31, 2016
Statement of Profit & Loss				
Income from operations	21,229.98	42,417.25	31,914.03	47,558.34
Other Income	337.01	637.71	893.42	563.78
Total Income	21,566.99	43,054.96	32,807.45	48,122.12
Total expenditure (Excluding Depreciation, Interest and Tax)	19,474.19	37,708.45	30,858.89	43,696.42
Interest (Finance Cost)	159.26	995.17	1,146.91	1,320.38
Depreciation and amortization expenses	1,204.06	2,287.91	2,218.56	2,580.30
Profit/ (Loss) Before Tax	729.48	2,063.43	(1,416.91)	525.02
Provision for Tax	262.20	726.34	-	-
Profit/ (Loss) After tax	467.28	1,337.09	(1,416.91)	525.02
Balance Sheet				
Sources of funds				
Paid up share capital	14,137.50	14,137.50	14,137.50	14,137.50
Reserves and Surplus (Excl. Revaluation Reserves)	8,167.80	7,713.23	4,162.23	5,696.26
Net worth	22,305.30	21,850.73	18,299.73	19,833.76
Secured loans	-	-	-	-
Unsecured loans	2,519.01	2,500.63	9,600.00	11,600.00
Non-current liabilities	842.44	756.29	918.63	600.75
Total	25,666.75	25,107.65	28,818.36	32,034.51

Particulars	Six months ended September 30, 2018	Year ended March 31, 2018	Year ended March 31, 2017	15 months period ended March 31, 2016
Uses of funds				
Net fixed assets	20,576.70	20,824.06	21,713.08	21,658.98
Investments	-	-	-	-
Other non-current assets	4,211.78	4,441.70	2,985.33	2,157.03
Net current assets	878.27	-158.11	4,119.95	8,218.50
Total miscellaneous expenditure not written off	-	-	-	-
Total	25,666.75	25,107.65	28,818.36	32,034.51
Other financial data				
Dividend (%)	-	-	-	-
Basic Earnings Per Share	0.33	0.95	(1.00)	0.37
Diluted Earnings Per Share	0.33	0.95	(1.00)	0.37
Return on Networth ⁽⁶⁾	2.09%	6.12%	(7.74%)	2.65%
Book Value per Share (Rs) ⁽⁷⁾	15.78	15.46	12.94	14.03

Notes:

1. The figures for the period ended on September 30, 2018 and year ended on March 31, 2018 is as per IND AS Accounting Principles whereas figures for the year ended March 31, 2017 and for fifteen months ended March 31, 2016 is prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended).
2. The figures for six months ended September 30, 2018 have been extracted from limited reviewed financials and figures for the rest of the years have been extracted from respective years audited financial statements.
3. The figures for the six months period ended September 30, 2018 are non-annualized.
4. The figures for the six months period ended on September 30, 2018 and year ended on March 31, 2018 does not include adjustments on account of Remeasurements of post-employment benefit obligations, gain/(loss) net of tax.
5. Contingent Liabilities:
 - A sum of Rs. 309.84 lakhs as of March 31, 2018, March 31, 2017 and March 31, 2016 on account of arrears, rent, service charges, way leave fees of certain leasehold property, consequent to the Order of the Estate Officer of Mumbai Port Trust (MPT) dated February 28, 2007, has not been provided for as the said property was assigned in on earlier year to M/s Dinbandhu Estate Private Limited (the Assignee). The assignment was subject to the approval of MPT which was to be arranged by the Assignee. The Company is contesting the said Order before the High Court.
 - Further, the following claims are not acknowledged as debts as the same are being contested by the Company:

(In INR Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Sales Tax	138.75	209.49	163.36
Excise Duty	4,322.19	4,110.98	3,934.62
Service Tax	1,591.19	1,416.66	869.76
Custom Duty	451.55	451.55	451.55
Labour Cases	101.90	107.40	147.60
Other Cases	427.40	217.23	202.70
Total	7,032.98	6,513.31	5,769.59

6. Return on Net worth has been calculated as Profit/(Loss) after tax / Networth as at the end of the respective periods. The figures for the six months period ended 30th September, 2018 and for the Fifteen months period ended 31st March, 2016 are non-annualized.

7. Book Value per share has been calculated as Net worth /Total outstanding Equity Shares as at the end of the respective periods.

(Source: CA Certificate dated November 16, 2018 issued by M/s Maharishi & Co. Chartered Accountants having FRN: 124872W and audited financials for the period ended March 31, 2016; March 31, 2017 and March 31, 2018 and limited reviewed financials for the 6 months ended September 30, 2018.)

18. Shareholding pattern of the Target Company pre and post Offer is provided below:

Shareholders' category	Shareholding & voting rights prior to agreement / acquisition and Offer		Shareholding & voting rights to be acquired which triggered the SEBI (SAST) Regulations		Shares / voting rights to be acquired in the Offer (assuming full acceptance)		Shareholding / voting rights after the acquisition and Offer	
	(A)		(B)		(C)		(D)=(A)+(B)+(C)	
	No.	% of Emerging Share Capital	No.	% of Emerging Share Capital	No.	% of Emerging Share Capital	No.	% of Emerging Share Capital
(1) Promoter group								
(a) Parties to the SPA								
(i) Votorantim Cimentos EAA Inversiones S.L.	103,709,063	73.2	(103,709,063)	(73.2)	-	-	-	-
(ii) Votorantim Cimentos S.A.	2,321,645	1.6	(2,321,645)	(1.6)	-	-	-	-
(b) Promoters other than (a) above	-	-	-	-	-	-	-	-
Total 1(a+b)	106,030,708	74.9	(106,030,708)	(74.9)	-	-	-	-
(2) Acquirer								
True North Fund VI LLP	-	-	106,030,708	74.9	35,611,817	25.1	141,642,525	100.0
Total			106,030,708	74.9	35,611,817	25.1	141,642,525	100.0
(3) Parties to the SPA other than 1(a) and 2								
	-	-	-	-	-	-	-	-
(4) Public shareholders (other than parties to SPA and the Acquirer)⁽¹⁾								
(a) Institutions ⁽²⁾	233,951	0.2	-	-	(35,611,817)	(25.1)	-	-
(b) Others ⁽³⁾	35,109,619	24.8	-	-				
(c) Equity Shares, allotment of	265,212	0.2	-	-				

Shareholders' category	Shareholding & voting rights prior to agreement / acquisition and Offer		Shareholding & voting rights to be acquired which triggered the SEBI (SAST) Regulations		Shares / voting rights to be acquired in the Offer (assuming full acceptance)		Shareholding / voting rights after the acquisition and Offer	
	(A)		(B)		(C)		(D)=(A)+(B)+(C)	
which is kept in abeyance by the Target Company								
(d) Equity Shares, which were issued by the Target Company but have not been subscribed	3,035	0.002	-	-			-	-
Total 4(a+b+c+d)	35,611,817	25.1	-	-	(35,611,817)	(25.1)	-	-
Grand total (1+2+3+4)	141,642,525	100.0	-	-	-	-	141,642,525	100.0

Notes:

1. Number of shareholders under public category as on September 30, 2018 is 22,896 (Source: www.bseindia.com)
2. Includes Foreign Portfolio Investors, Financial Institutions/ Banks and Insurance Companies as of September 30, 2018 (Source: www.bseindia.com)
3. Includes Bodies Corporate, Clearing Members, Director or Director's Relatives, Enemy Property, Foreign Nationals, HUF, Trusts, NRIs (Source: www.bseindia.com)

As stated in paragraph 8 of Part A of Section I (Details of the Offer), in terms of Regulation 31A of the SEBI (LODR) Regulations, the Sellers shall, post the closing of the Underlying Transaction, be declassified as 'promoters' of the Target Company for the purposes of all applicable laws and the Acquirer shall be named as the 'promoter' of the Target Company for the purposes of all applicable laws, and appropriate steps (as required under applicable laws) will be taken in connection with the foregoing.

IV. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Offer Price

1. The Offer is a mandatory offer made in accordance with Regulations 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations. The Open Offer is being made pursuant to the execution of the SPA for the acquisition of 75% of the Equity Share Capital of the Target Company, accompanied with a change in control of the Target Company.
2. The Offer Price is INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Equity Share.
3. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
4. The Equity Shares of the Target Company are listed on the BSE.
5. The annualized trading turnover in the Equity Shares, based on the trading volumes in the Equity Shares of the Target Company on the BSE during the period from November 1, 2017 to October 31, 2018 (i.e. 12 (twelve) calendar months preceding the month in which the PA was issued) (“**Twelve Months Period**”), is as set out below:

Stock Exchange	Traded turnover of equity shares of the Target Company during the Twelve Months Period (“A”)	Total number of equity shares of the Target Company during the Twelve Months Period (“B”)	Traded turnover % (A/B)
BSE	27,339,527	141,374,278	19.34%

(Source: Certificate dated November 12, 2018 issued by S V N D & Associates LLP, Chartered Accountants, with firm registration number W100212.)

6. Based on the above, the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, with BSE being the stock exchange where the maximum volume of trading in the shares of the Target Company has been recorded.
7. The Offer Price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Offer Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

Sl. No.	Details	Price per Equity Share in INR
A.	The highest negotiated price per Equity Share of the Target Company for any acquisition under an agreement attracting the obligation to make a public announcement of an open offer i.e. the price per share under the SPA	15.77 ⁽¹⁾
B.	The volume weighted average price paid or payable per Equity Share for acquisitions by the Acquirer or by any person acting in concert with him during the fifty two weeks immediately preceding the date of the PA	NA ⁽²⁾

Sl. No.	Details	Price per Equity Share in INR
C.	The highest price per Equity Share paid or payable for any acquisition by the Acquirer or by any person acting in concert with him during the twenty six weeks immediately preceding the date of the PA	NA ⁽²⁾
D.	The volume weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the PA as traded on the BSE during such period and such shares being frequently traded	23.33
E	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to 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; and	NA ⁽³⁾
F	The per equity share value computed under Regulation 8(5), if applicable	NA ⁽⁴⁾

Notes:

1. Further details in respect of the negotiated price have been set out in Part A of Section I (Details of the Offer).
 2. The Acquirer has not acquired any shares in the Target Company in past.
 3. The equity shares of the Target Company are listed only on the BSE and they are frequently traded.
 4. The acquisition is not an indirect acquisition under Regulation 5(1) of SEBI (SAST) Regulations.
8. The Offer Price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Offer Share represents the highest of the above parameters mentioned in the SEBI (SAST) Regulations. S V N D & Associates LLP, chartered accountants, with firm registration number W100212, located at Unit 506, Sanjar Enclave CTS, S. V. Road, Opp. Milap PVR Cinema, Kandivali West, Mumbai 400 067, vide their certificate dated November 12, 2018 have confirmed the aforementioned computation of the Offer Price.
 9. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price would be revised in the event of any corporate action such as bonus, rights, split, etc., if the record date for effecting such corporate actions falls within 3 (three) Working Days prior to the commencement of the Tendering Period of the Open Offer.
 10. In the event of an acquisition of the Equity Shares of the Target Company by the Acquirer during the Offer period, at a price higher than the Offer Price, 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, the Acquirer shall not acquire any Equity Shares of the Target Company after the third (3rd) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Such revision would be done in

compliance with other formalities prescribed under the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall:

- (i) make corresponding increase to the escrow amounts as more particularly set out in paragraph 2 of Part B of Section IV (*Offer Price and Financial Arrangements*) of this DLoF;
 - (ii) make a public announcement in the same newspapers in which the DPS is published; and
 - (iii) simultaneously with the issue of such announcement, inform the BSE, SEBI and the Target Company at its registered office of such revision in accordance with the SEBI (SAST) Regulations.
11. If the Acquirer acquires any Equity Shares during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Equity Shares have been accepted in the Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to the SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchange where the Equity Shares are traded, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.

B. Financial Arrangements

1. The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 35,611,817 (Thirty Five Million Six Hundred and Eleven Thousand Eight Hundred and Seventeen Only) Equity Shares, at the Offer Price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Offer Share is Maximum Open Offer Consideration, i.e. INR 830,823,691 (Indian Rupees Eight Hundred and Thirty Million Eight Hundred and Twenty Three Thousand Six Hundred and Ninety One only) (rounded to the nearest rupee).
2. The Acquirer has adequate resources to meet the financial requirements of this Open Offer and by way of security for performance of its obligations under the SEBI (SAST) Regulations, the Acquirer has (i) created an escrow account named “True North Fund VI LLP - Open Offer Escrow Account” (the “**Escrow Account – Cash**”) with the Escrow Bank (at its branch at Ground Floor, Jehangir Building, M G Road, Fort, Mumbai) and has deposited a sum of INR 8,308,237.00 (Indian Rupees Eight Million Three Hundred and Eight Thousand, Two Hundred and Thirty Seven only) in the said Escrow Account – Cash being in excess of 1% percent of the Maximum Open Offer Consideration, which shall be invested by way of fixed deposits (“**Fixed Deposits**”) to be maintained with the Escrow Bank, and the Manager has an irrevocable lien over the funds lying in the Escrow Account – Cash and the Fixed Deposits. The Escrow Account – Cash and Fixed Deposits are in compliance with the requirements of Regulation 17 of the SEBI (SAST) Regulations; and (ii) furnished the Bank Guarantee of an amount of INR 207,705,923.00 (Indian Rupees Two Hundred and Seven Million Seven Hundred and Five Thousand Nine Hundred and Twenty Three only) which is twenty five percent (25%) of Maximum Open Offer Consideration from HDFC Bank Limited (acting through its branch, Sandoz House Branch, Dr Annie Besant Road, Worli, Mumbai- 400018), in favor of the Manager to the Offer. The Bank Guarantee is valid up to May 13, 2019. The Manager to the Offer has been duly authorised to realize the value of the aforesaid Bank Guarantee in terms of the SEBI (SAST) Regulations. The Acquirer undertakes that in case the Offer process is not completed within the validity of the Bank Guarantee, then the Bank Guarantee will be further extended at least up to the 30th day from the date of completion of

payment of the shares validly tendered in the Open Offer. The bank issuing the Bank Guarantee is neither an associate company nor a group company of the Acquirer or the Target Company.

3. The amount deposited in Escrow Account – Cash, along with the Bank Guarantee are in excess of a sum total of 25% of the first INR 5,000,000,000 (Indian Rupees Five Billion only) of the Maximum Open Offer Consideration, as required under Regulations 17(1) and 17(3) of the SEBI (SAST) Regulations.
4. S V N D & Associates LLP, chartered accountants, with firm registration number W100212, located at Unit 506, Sanjar Enclave CTS, S. V. Road, Opp. Milap PVR Cinema, Kandivali West, Mumbai 400 067, *vide* their certificate dated November 12, 2018, have certified, on the basis of the uncalled capital commitment from the limited partners of the Acquirer, that the Acquirer has made firm arrangements for funds through verifiable means to meet its payment obligations under this Offer.
5. The Manager to the Offer has entered into the Escrow Agreement dated November 14, 2018 with the Acquirer and the Escrow Bank, pursuant to which the Acquirer has solely authorized the Manager to the Open Offer to realize the value of the Escrow Account – Cash, to operate the special escrow account opened as per the provisions of the SEBI (SAST) Regulations and invoke the lien on and liquidate the Fixed Deposits.
6. The Manager to the Open Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill its obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.
7. In case of any upward revision in the Offer Price 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 in the escrow account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

V. TERMS AND CONDITIONS OF THE OFFER

A. Operational Terms and Conditions

1. In terms of the tentative schedule of key activities, the Tendering Period for the Offer shall commence on January 7, 2019 (Monday) and close on January 18, 2019 (Friday).
2. 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 all necessary consents required by it to sell the Equity Shares on the foregoing basis.
3. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.
4. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
5. The Identified Date for this Offer as per the tentative schedule of key activities is December 21, 2018 (Friday).
6. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one) only.
7. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

B. Eligibility for accepting the Offer

1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of the Target Company on the Identified Date.
2. All Public Shareholders, who hold Equity Shares in dematerialized form at any time before the expiry of the Tendering Period are eligible to tender such Equity Shares in this Offer (subject to Section V (*Terms and Conditions of the Offer*) including paragraph 2 of Part C of Section V of the DLoF).
3. The Public Announcement, the Detailed Public Statement, the Draft Letter of Offer and the Form of Acceptance will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance from SEBI's website.
4. The Target Company has no Equity Shares which are locked-in.
5. The acceptance of this Offer by Public Shareholders must be unconditional, absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
6. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.
7. None of the Acquirer, the Manager or the Registrar to the Offer accepts any responsibility for any loss of equity share certificates, Offer acceptance forms, share transfer forms etc. during

transit and Public Shareholders are advised to adequately safeguard their interest in this regard.

8. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager.
9. The Acquirer reserves the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period, i.e., up to January 3, 2019 (Thursday), in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Draft Letter of Offer.
10. The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer.

C. Statutory and Other approvals

1. To the best of the knowledge of the Acquirer, there are no statutory or other approval(s) required by the Acquirer to complete the acquisition under the SPA and the Offer as on the date of this Draft Letter of Offer. If, however, any statutory or other approval(s) becomes applicable prior to completion of such acquisition, the Offer would also be subject to such other statutory or other approval(s) being obtained.
2. NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals along with the Form of Acceptance and other documents required to accept the Open Offer. Further, if holders of Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approval from the RBI, the FIPB or any other regulatory body in respect of the Equity Shares held by them in the Target Company, they will be required to submit such previous approvals that they would have obtained for acquiring and holding the Equity Shares of the Target Company to tender Equity Shares held by them pursuant to the Open Offer, along with the Form of Acceptance and other documents required to be tendered to accept the Open Offer as mentioned in the Draft Letter of Offer. In the event such approvals and supporting documents are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Open 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 a repatriable basis or a non-repatriable basis.
3. The Offer is also subject to the satisfaction of the condition stipulated under the SPA and disclosed in paragraph 7 of Part A of Section I (*Details of the Offer*) (which is considered to be outside the reasonable control of the Acquirer).
4. The Acquirer does not require any approvals from financial institutions or banks for this Offer.
5. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Offer.
6. In case of delay in receipt of any statutory approval(s), SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant an

extension of time for the purpose of completion of this Open Offer subject to such terms and conditions as may be specified by SEBI, including payment of interest at such rate as may be prescribed by SEBI from time to time in accordance with Regulation 18(11) of the SEBI (SAST) Regulations.

7. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that any of the approvals, whether relating to the acquisition under the SPA or the acquisition of the Offer Shares, that become applicable prior to completion of the Offer are not received, or if the condition set out in paragraph 7 of Part A of Section I (*Details of the Offer*) above, which is outside the reasonable control of the Acquirer, is not satisfied in accordance with the SPA, the Acquirer shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

VI. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

A. PROCEDURE FOR TENDERING EQUITY SHARES HELD IN DEMATERIALIZED FORM

1. The Open Offer will be implemented by the Acquirer through stock exchange mechanism made available by the stock exchange in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 as amended *vide* SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 (“**Acquisition Window Circulars**”).
2. BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.
3. The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to the Open Offer shall be available on BSE in the form of a separate Acquisition Window. The Selling Broker(s) (as defined below) can enter orders for demat Equity Shares.
4. The Acquirer has appointed JM Financial Services 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:



Name: JM Financial Services Limited

Address: 5th floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025

Contact Person: Ms. Prachee Dhuri

Tel: +91 22 6630 3030, Fax: +91 22 6630 3330

5. 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.
6. During the Tendering Period, the bid for selling the Equity Shares will be placed in the Acquisition Window by Public Shareholders through their respective Selling Broker during normal trading hours of the secondary market. The Buying Broker may also act as Selling Broker for Public Shareholders.
7. Before placing the bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by BSE or the Clearing Corporation, prior to placing the order/ bid by the Selling Broker.
8. Upon placing the bid, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Public Shareholder. TRS will contain details of order/ bid submitted, like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
9. On receipt of TRS, the Public Shareholder has successfully placed the bid in the Open Offer.
10. 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 the time provided by BSE on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

11. The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by BSE/ Clearing Corporation, before the Offer Opening Date.
12. Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant).

In the event Selling Broker(s) are not registered with BSE or if the Public Shareholder does not have any stock broker then that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case a Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Public Shareholder may approach the Buying Broker to bid by using the UCC facility. The Public Shareholder approaching a BSE registered stock broker (with whom he does not have an account) or JM Financial Services Limited may have to submit following details:

I. In case of Public Shareholder being an individual:

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

1. Central Know Your Client (“CKYC”) form including Foreign Account Tax Compliance Act (“FATCA”), In Person Verification (“IPV”), Original Seen and Verified (“OSV”) if applicable
2. Know Your Client (“KYC”) form documents required (all documents self-attested):
 - Bank details (cancelled cheque)
3. Demat details for Equity Shares in demat mode (demat master /latest demat statement)

(b) If Public Shareholder is not registered with KRA: Forms required:

1. CKYC form including FATCA, IPV, OSV if applicable
2. KRA form
3. KYC form documents required (all documents self-attested):
 - Permanent Account Number (“PAN”) card copy
 - Address proof
 - Bank details (cancelled cheque)
4. Demat details for Equity Shares in demat mode (demat master /latest demat statement)

It may be noted, that other than submission of above forms and documents, in person verification may be required.

II. In case of Public Shareholder, being a Hindu Undivided Family (“HUF”):

(a) If Public Shareholder is registered with KRA: Forms required:

1. CKYC form of karta including FATCA, IPV, OSV if applicable
2. KYC form documents required (all documents self-attested):
 - Bank details (cancelled cheque)
3. Demat details for Equity Shares in demat mode (demat master /latest demat statement)

(b) If Public Shareholder is not registered with KRA: Forms required:

1. CKYC form of karta including FATCA, IPV, OSV if applicable
2. KRA form
3. KYC form documents required (all documents self-attested):
 - PAN card copy of HUF & karta
 - Address proof of HUF & karta
 - HUF declaration
 - Bank details (cancelled cheque)
4. Demat details for Equity Shares in demat mode (demat master/ latest demat statement)

It may be noted that other than submission of above forms and documents, in person verification may be required.

III. In case of Public Shareholder other than individual and HUF:

(a) If Public Shareholder is KRA registered: Form required

1. KYC form documents required (all documents certified true copy):
 - Bank details (cancelled cheque)
2. Demat details for Equity Shares in demat mode (demat master/ latest demat statement)
3. FATCA, IPV, OSV if applicable
4. Latest list of directors/ authorised signatories/ partners/ trustees
5. Latest shareholding pattern
6. Board resolution
7. Details of ultimate beneficial owner along with PAN card and address proof

8. Last 2 years financial statements
- (b) If Public Shareholder is not KRA registered: Forms required:
1. KRA form
 2. KYC form documents required (all documents certified true copy):
 - PAN card copy of company/ firm/trust
 - Address proof of company/ firm/trust
 - Bank details (cancelled cheque)
 3. Demat details for Equity Shares in demat mode (demat master/ latest demat statement)
 4. FATCA, IPV, OSV if applicable
 5. Latest list of directors/ authorised signatories/ partners/ trustees
 6. PAN card copies & address proof of directors/ authorised signatories/ partners/ trustees
 7. Latest shareholding pattern
 8. Board resolution/partnership declaration
 9. Details of ultimate beneficial owner along with PAN card and address proof
 10. Last 2 years financial statements
 11. Memorandum of association/partnership deed /trust deed

It may be noted that, other than submission of above forms and documents, in person verification may be required.

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

13. The cumulative quantity tendered shall be displayed on the BSE's website (www.bseindia.com) throughout the trading session at specific intervals by the BSE during the Tendering Period.
14. Modification/ cancellation of bids will not be allowed during the Tendering Period. Multiple bids made by single Public Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.
15. For demat Equity Shares, submission of Form of Acceptance and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Equity Shares bid shall be deemed to have been accepted for Public Shareholders holding Equity Shares in demat form.

16. **Procedure for tendering the shares in case of non-receipt of LOF:**

- (a) Persons who do not hold Equity Shares as on the Identified Date, or those who have acquired the Equity Shares after the Identified Date, or those who have not received the LOF, can also participate in this Open Offer.
- (b) A Public Shareholder may participate in the Open Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in the LOF.
- (c) The LOF will be dispatched to all the Public Shareholders whose names appear on the register of members of the Target Company as on the Identified Date through electronic mode in accordance with the provisions of Companies Act, 2013 and in compliance with Explanation to Regulation 18(2) of the SEBI (SAST) Regulations. On receipt of a request from any Public Shareholder to receive a copy of the LOF in physical format, the same shall be provided to the Public Shareholder. In case of non-receipt of the LOF, such Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) and can apply by using the same 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.

17. **Acceptance of Shares**

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

18. **Settlement Process / Payment of Consideration**

- (a) On the Offer Closing Date, reconciliation for acceptances shall be conducted by the Registrar to the Offer in consultation with the Manager to the Offer and the final list shall be provided to the BSE to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- (b) The settlement of trades shall be carried out through the Clearing Corporation in the manner specified in the Acquisition Window Circulars.
- (c) The Acquirer will pay the consideration to the Buying Broker on or before the pay-in date for settlement, who in turn will make the funds pay-in in the settlement account of Clearing Corporation, as per the settlement schedule announced by Clearing Corporation.
- (d) For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds pay-out to respective eligible Public Shareholder's bank account linked to its demat account. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/ bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- (e) In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Public Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Offer.

- (f) The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the shares under the Open Offer.
- (g) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.
- (h) Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any costs, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- (i) Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirer.

B. EQUITY SHARES HELD IN PHYSICAL FORM:

1. As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), effective from December 5, 2018, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.
2. In this Open Offer, considering the timelines of activities prescribed under the SEBI (SAST) Regulations, the acceptance of tendered shares will be undertaken after December 5, 2018. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Open Offer can do so only after the Equity Shares are dematerialized. Such Public Shareholders are advised to approach any DP to have their Equity Shares dematerialized.

NOTE ON TAXATION

1. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to pay income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income-tax Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or is deemed to accrue or arise in India) and income received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated".
2. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income-tax Act.
3. Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement ("DTAA"), between India and the respective country of which the said shareholder is a tax resident subject to satisfying relevant conditions including: (i) those set out in limitation of benefits provisions present in the said DTAA (if any), (ii) the non-

applicability of General Anti-Avoidance Rules, and (iii) providing and maintaining necessary information and documents as prescribed under the Income-tax Act.

4. The Income-tax Act also provides for different income-tax regimes / rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
5. The summary of income-tax implications on tendering of listed equity shares on the recognized stock exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.
6. As per the current provisions of the Income-tax Act, in addition to the basic tax rate, surcharge and health and education cess are also leviable. The applicable rate of surcharge is dependent on the category of the shareholder and for individual shareholders, income slab rates is applicable. The health and education cess is levied at the rate of 4% of the income tax and surcharge.
7. Classification of shareholders: Public Shareholders can be classified under the following categories:
 - a. **Resident shareholders being:**
 - (i) Individuals, Hindu Undivided Family (“**HUF**”), Association of Persons and Body of Individuals
 - (ii) Others
 - b. **Non-resident shareholders being:**
 - (i) Non-resident Individuals (“**NRI**” or “**NRIs**”)
 - (ii) Foreign Institutional Investors (“**FII**” or “**FIIs**” / Foreign Portfolio Investors (“**FPI**” or “**FPIs**”)
 - c. **Others:**
 - (i) A foreign company
 - (ii) Other than a foreign company
8. Classification of income from Equity Shares can be made under the following two categories:
 - a. Shares held as investment (Income from transfer is taxable under the heading “**Capital Gains**”); and
 - b. Shares held as stock-in-trade (Income from transfer is taxable under the heading “**Profits and Gains from Business or Profession**”)
9. As per the current provisions of the Income-tax Act, unless specifically exempted, income arising from the sale of equity shares in an Indian company are generally taxable in India either as “capital gains” under Section 45 of the Income-tax Act or as “business profits/ income”, depending on the facts and circumstances of the case.

The Central Board of Direct Taxes (“**CBDT**”) has *vide* Circular No. 6 / 2016 dated February 29, 2016, clarified that income arising from transfer of listed shares and securities, which

have been held for more than 12 months, would be taxable as “capital gains” unless the tax payer itself treats these securities as its stock-in trade and income thereof as its “business income”.

10. Shares held as investment:

- a. As per the provisions of the Income -tax Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains in the hands of shareholders would be computed as per provisions of Section 48 of the Income-tax Act and the rate of income tax would depend on the period of holding.
- b. **Period of holding:** Depending on the period for which the shares are held, the gains would be taxable as “short term capital gain” or “long-term capital gain”. In respect of listed equity shares held for a period less than or equal to 12 (Twelve) months prior to the date of transfer, the same will be treated as a “short-term capital asset”, and accordingly the gains arising therefrom will be taxable as short-term capital gains (“**STCG**”). Similarly, where listed equity shares are held for a period more than 12 (Twelve) months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as long-term capital gains (“**LTCG**”).
- c. Where a transaction for transfer of such equity shares (i.e. acceptance under the Open Offer) is transacted through a recognized stock exchange and is chargeable to Securities Transaction Tax (“**STT**”), then as per the provisions of Section 112A of the Income Tax Act, income tax @10% will be levied on LTCG on the sale or transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 12 (Twelve) months and have been subject to STT, upon acquisition and sale. If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by the Central Government (Notification No. 60 / 2018 dated October 1, 2018) under Section 112A of the Income-tax Act in order to get benefit of taxation at 10% under Section 112A of the Income-tax Act. This tax of 10% (ten per cent) (exclusive of any surcharge and cess that would be applied) would be payable only if the LTCG exceeds Rs. 100,000/- in the financial year. In case of a resident individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such LTCG. Further, LTCG that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018. For computing capital gains under the grandfathering regime, the cost of acquisition of the asset will be the higher of: (i) actual purchase price, or (ii) lower of (A) fair market value as on January 31, 2018, and (B) sale consideration for the shares.
- d. Where provisions of section 112A of the Income-tax Act are not applicable (for example where STT was not paid at the time of acquisition of the equity shares):
 - (i) LTCG will be chargeable to tax at rate of up to 20% (plus applicable surcharge and cess) in the case of a non-resident shareholder (other than an FPI/ FII, or an NRI who is governed by the provisions of Chapter XII-A of the Income-tax Act).
 - (ii) In the case of FIIs/ FPIs, LTCG would be taxable at 10% (plus applicable surcharge and cess).

- (iii) For an NRI who is governed by the provisions of Chapter XII-A of the Income-tax Act, LTCG would be taxable at 10% (plus applicable surcharge and cess) under Section 115E of the Income-tax Act.
 - (iv) For a resident shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and cess) without indexation.
- e. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less and which is subject to STT, shall be subject to short term capital gains tax at 15% (plus applicable surcharge and cess) and STT. Further, in case of a resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG.
- f. Taxability of capital gain arising to a non-resident in India from the sale of equity shares shall be determined basis the provisions of the Income-tax Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to satisfaction of certain prescribed conditions.

11. Shares held as stock-in trade:

If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the heading “Profits and Gains of Business or Profession”.

12. Tax Deduction at Source:

a. Resident shareholders:

In the absence of any specific provision under the Income-tax Act, the Acquirer is not required to deduct tax on the consideration payable to the Public Shareholders pursuant to tendering of the Equity Shares under the Open Offer.

b. Non-Resident Shareholders:

- (i) ***In case of FPIs:*** Section 196D of the Income-tax Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FPIs. Thus, no withholding of tax is required in case of consideration payable to FPIs.
- (ii) ***In case of non-resident Public Shareholders (other than FPIs) holding Equity Shares of the Target Company:*** Section 195(1) of the Income-tax Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the Income-tax Act. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident Public Shareholders provide a specific mandate in this regard.
- (iii) Under Section 195 of the Income-tax Act, tax is required to be deducted on payment made to non-residents, at the rates prescribed in Part-II of the First Schedule to the Finance Act, 2018. In terms of the said provisions, tax at

applicable rates will be deducted from payment of LTCG to a non-resident taxpayer (other than an FPI). The capital gains will be required to be computed in accordance with the provisions of the Income-tax Act.

THE SUMMARY OF THE INCOME-TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT AND THE REGULATIONS THEREUNDER. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED ABOVE. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE ABOVE.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE PUBLIC SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, PUBLIC SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS SUMMARY. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS SUMMARY OF INCOME-TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF EQUITY SHARES IN THE OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA AS SET OUT ABOVE SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

VII. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection by Public Shareholders at the office of the Manager to the Offer at JM Financial Limited, 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai-400025, between 10:30 a.m. and 5:00 p.m. on any Working Day (except Saturdays, Sundays and public holidays) during the period from the date of commencement of the Tendering Period [●] until the date of closure of the Tendering Period [●].

1. Copies of Certificate of Incorporation and the certificate of registration issued by SEBI to the Acquirer under the AIF Regulations;
2. Copy of the certificate dated November 12, 2018 from S V N D & Associates LLP, chartered accountants, with firm registration number W100212, located at Unit 506, Sanjar Enclave CTS, S. V. Road, Opp. Milap PVR Cinema, Kandivali West, Mumbai 400 067, India, certifying that the Acquirer has made firm arrangements for funds through verifiable means to meet its payment obligations under this Offer.
3. Copy of audited financial statements of the Acquirer as of and for the period from August 7, 2017 to March 31, 2018 and copy of its unaudited (limited reviewed) financial statements as of and for three months ended June 30, 2018;
4. Copies of the audited annual reports of the Target Company for the financial years ending on March 31, 2018 and March 31, 2017 and fifteen months period ending on March 31, 2016;
5. Copy of the letter dated November 15, 2018 from the Escrow Bank confirming the amount of cash deposit of INR 8,308,237 in the Escrow Account - Cash as of November 14, 2018 and stating that the Escrow Account - Cash shall be operated in terms of the Escrow Agreement;
6. Copy of the SPA;
7. Copy of the Public Announcement (including any corrigendum to it) submitted to the BSE on November 12, 2018;
8. Copy of the Detailed Public Statement (including any corrigendum to it) published by the Manager on behalf of the Acquirer on November 19, 2018;
9. Copy of the Offer Opening Public Announcement (including any corrigendum to it) to be published by the Manager on behalf of the Acquirer;
10. Published copy of the recommendation to be made by the committee of the independent directors of Target Company dated [●] in relation to the Offer;
11. Copy of the SEBI observation letter no. [●] dated [●] on the Draft Letter of Offer;
12. Copy of the Escrow Agreement dated November 14, 2018 among the Acquirer, the Manager and the Escrow Bank.

VIII. DECLARATION BY THE ACQUIRER

1. The Acquirer and its Designated Partners accept full responsibility for the information contained in the DLoF (other than such information as has been obtained from public sources or provided or relating to and confirmed by the Target Company and/or any of the Sellers).
2. The Acquirer shall be responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
3. For the purposes of the disclosures pertaining to the Target Company and/or the Seller contained in the DLoF, the Acquirer has relied on the information available from public sources or provided/confirmed by the Target Company or the Sellers, as the case may be, and the same has not been independently verified by the Acquirer.
4. The person signing this DLoF is duly and legally authorized by the Acquirer to sign the DLoF.

SIGNED FOR AND ON BEHALF OF TRUE NORTH FUND VI LLP

Sd/-

Authorized Signatory

Place: Mumbai

Date: November 28, 2018