

DRAFT LETTER OF OFFER ("DLOF")

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer (as defined under the head of Key Definitions) is being sent to you as a Public Shareholder (as defined under the head of Key Definitions) of **Prem Somani Financial Services Limited ("Target Company")**. If you require any clarifications about the action to be taken, you may consult your stock broker or an investment consultant or the Manager to the Offer (as defined under the head of Key Definitions) or the Registrar to the Offer (as defined under the head of Key Definitions). In the event you have sold your Shares (as defined under the head of Key Definitions) in Prem Somani Financial Services Limited, please hand over the Draft Letter of Offer to the purchaser of the Shares or the member of the stock exchange through whom the said sale was effected.

Open Offer ("Offer") by

ZYDEN TECHNOLOGIES PRIVATE LIMITED ("Acquirer")

Registered Office: 45/9, Arogya Sadan, J.B. Nagar, Andheri East, Mumbai – 400 059, Maharashtra, India
Tel No: +91 93226 66532; **Email:** zydenttechno@gmail.com; **Fax No:** NA
Corporate Identification Number: U72900MH2020PTC341312

To acquire upto **8,58,884** (Eight Lacs Fifty Eight Thousand Eight Hundred Eighty Four) ("**Offer Shares**") fully paid up equity shares of the face value of ₹ 10 each, representing **26%** (Twenty Six per cent) of the Voting Share Capital (as defined under the head of Key Definitions) ("**Offer Size**") from the Public shareholders of:

PREM SOMANI FINANCIAL SERVICES LIMITED ("Target Company")

having its registered office at: 42, Jai Jawan Colony, Scheme No. 3, Durgapura, Jaipur - 302 018, Rajasthan, India.
Tel: +91 98290 51268; **Email:** limitedpsfs@gmail.com; **Website:** www.psfs.co.in; **Fax No:** NA
Corporate Identification Number: L67120RJ1991PLC006220

at a price of ₹ **3.00** (Rupees Three only) per Share ("**Offer Price**") payable in cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended) (SEBI (SAST) Regulations).

Notes:

1. This Open Offer is being made by the Acquirer under Regulation 3(1) and Regulation 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of regulation 19(1) of the SEBI (SAST) Regulations. There is no differential price being offered for the Offer Shares tendered in the Open Offer.
3. This Open Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.
4. **There has been no competing offer as on the date of this Draft Letter of Offer.**
5. To the best of the knowledge of the Acquirer, there are no statutory approvals required for the purpose of this Offer. If any statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such statutory approvals.
6. If there is any upward revision, in the Offer Price and/or Offer Size by the Acquirer, at any time upto 1 (one) working day prior to the commencement of the Tendering Period i.e. **Monday, December 21, 2020** the same shall be informed by way of a public announcement in the same newspapers where the Detailed Public Statement (as defined under the head of Key Definitions) in relation to this Open Offer appeared. Such revision in the Offer Price, if any, would be applicable to all the Offer Shares validly tendered anytime during the Tendering Period. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the Detailed Public Statement was published.
7. Copies of the Public Announcement (as defined under the head of Key Definitions), the Detailed Public Statement, this Draft Letter of Offer (as defined under the head of Key Definitions) and the Letter of Offer will also be available on the website of the Securities and Exchange Board of India (SEBI): www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 Saffron Capital Advisors Private Limited CIN: U67120MH2007PTC166711 605, 6 th Floor, Centre Point, J.B. Nagar Andheri (East), Mumbai - 400 059 Maharashtra, India Tel +91 22 4082 0906; Fax +91 22 4082 0999 Email: openoffers@saffronadvisor.com Website: www.saffronadvisor.com Investor grievance email: investorgrievance@saffronadvisor.com Contact Person: Varsha Gandhi SEBI Registration Number: INM000011211 SEBI Registration Validity: Permanent	 Bigshare Services Private Limited CIN: U99999MH1994PTC076534 1 st floor, Bharat Tin Works Building, Opposite Vasant Oasis Makwana Road, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India. Tel: +91 22 6263 8200; Fax: +91 22 6263 8299 Email: openoffer@bigshareonline.com Website: www.bigshareonline.com Investor grievance: investor@bigshareonline.com Contact person: Ashish Bhope SEBI Registration No: INR000001385 Validity of Registration: Permanent
Offer Opens on: [●]	Offer Closes on: [●]

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Day and Date
Issuance of Public Announcement (PA)	Monday, October 26, 2020
Last date of publication of DPS in the newspapers [^]	Tuesday, November 03, 2020
Last date of filing of the draft letter of offer with SEBI	Tuesday, November 10, 2020
Last date for a competitive bid	Wednesday, November 25, 2020
Last date for SEBI observations on draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Thursday, December 03, 2020
Identified Date*	Monday, December 07, 2020
Last date by which Letter of Offer duly incorporating SEBI's comments to the Draft Letter of Offer, is required to be dispatched to shareholders	Monday, December 14, 2020
Last date for upward revision of the Offer price/ Offer size	Friday, December 18, 2020
Last Date by which the committee of the independent directors of the Target Company shall give its recommendation on the Open Offer to the Public Shareholders	Thursday, December 17, 2020
Last date of publication of the Open Offer opening public announcement, announcing the schedule of activities of this Open Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances	Friday, December 18, 2020
Date of commencement of Tendering Period (Offer Opening Date)	Monday, December 21, 2020
Date of Expiry of Tendering Period (Offer Closing Date)	Monday, January 04, 2021
Date by which all requirements including payment of consideration, rejection/acceptance and return of Shares to the Public Shareholders of the Target Company whose Shares have been rejected in this Open Offer	Monday, January 18, 2021
Last date for issue of post-offer advertisement	Monday, January 25, 2021

[^] the last date for publication of the DPS in the newspapers is November 03, 2020, however, the DPS has been published in the newspapers on October 29, 2020. The revised/actual schedule of activities shall be included in the Letter of Offer based on SEBI's observation letter.

Notes:

1. There has been no competing offer as of the date of this Draft Letter of Offer.
2. *Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be mailed. It is clarified that all the Public Shareholders (registered or unregistered) who own the Offer Shares are eligible to participate in the Open Offer at any time before closure of the Tendering Period.

RISK FACTORS

The probable risk factors pertaining to the Open Offer or pertaining to association with the Acquirer, or the Target Company are set forth below but these are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters. The Public Shareholders are advised to consult their stock brokers, tax advisors, legal advisors or investment consultants, if any, for analyzing all the risks with respect to their participation in the Open Offer.

I. RISK FACTORS RELATING TO THE TRANSACTION

- As of the date of this DLOF, to the best of the knowledge of the Acquirer, there are no other statutory or regulatory approvals required by the Acquirer to complete this Open Offer. However, in case of any statutory or regulatory approvals being required by the Acquirer at a later date, this Open Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals. In case of delay in receipt of any such statutory or regulatory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for delay beyond 10th Working Day from the date of Closure of Tendering Period, at such rate as may be specified by SEBI. Where the statutory or regulatory approvals extend to some but not all the Public Shareholders, the Acquirer shall have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory or regulatory approvals are required in order to complete this Offer in respect of such Public Shareholders. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
- In terms of and in accordance with Regulation 23(1) of the SEBI (SAST) Regulations, if the conditions precedent and other conditions as stated in paragraph VII (B) are not satisfactorily complied with for reasons beyond the control of the Acquirer, the Open Offer would stand withdrawn. The Acquirer reserves the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the SEBI (SAST) Regulations in the event the requisite statutory approvals that may be necessary at a later date are refused.
- If at a later date, any other statutory or regulatory or other approvals / no objections are required, the Open Offer would become subject to receipt of such other statutory or regulatory or other approvals / no objections.

II. RISK RELATING TO THE OFFER

- This Open Offer is an offer to acquire upto 26% of the Voting Share Capital of the Target Company from the Public Shareholders. In the case of Shares tendered in the Open Offer by the Public Shareholders are more than the Offer Size, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Shares tendered by the Public Shareholders in the Open Offer will be accepted.
- In the event that either: (a) regulatory or statutory approvals are not received in time, (b) there is any litigation leading to a stay/injunction on the Offer or that restricts/restrains the Acquirer from performing their obligations hereunder, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders, whose Shares are accepted under the Offer as well as the return of Shares not accepted under the Offer by the Acquirer may get delayed. 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 willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer agreeing to pay interest to the validly tendering Shareholders.

- The Shares tendered in the Offer and documents will be held in the special account of the Clearing Corporation till the process of acceptance of tenders and the payment of consideration is completed. The Shareholders will not be able to trade in such Shares during such period. During such period, there may be fluctuations in the market price of the Equity Shares. The Acquirer makes no assurance with respect to the market price of the Equity Shares both during the period that the Offer is open and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in this Draft Letter of Offer / Detailed Public Statement / Public Announcement and anyone placing reliance on any other source of information (not released by the Acquirer, or the Manager to the Offer) would be doing so at his/her/their own risk.
- Shareholders should note that the Shareholders who tender the Shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the tendering period even if the acceptance of the Shares in this Offer and dispatch of consideration are delayed.
- 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.
- The Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the 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.
- This Offer is subject to completion risks as would be applicable to similar transactions.

III. RISK RELATING TO ACQUIRER AND THE TARGET COMPANY

- Mr. Nawneet Somani, director of Prem Somani Share Brokers Private Limited & others ("**Petitioner**") have filed a company petition bearing number 122 of 2020 before the National Company Law Tribunal at Jaipur ("**NCLT**") against Prem Somani Share Brokers Private Limited & Others ("**Respondent 1**") alleging that Mrs. Prem Lata Somani, the erstwhile director of Respondent 1 ("**Respondent 2**") and Prem Somani Financial Services Limited ("**Target Company and Respondent 3**") oppressed the minority shareholders of Respondent 1. The Target Company has been made a party to proceedings along with Union of India, Ministry of Corporate Affairs (as **Respondent 4**). Respondent 2 was a director of Respondent 1 till March 23, 2018 and Respondent 1 was an associate company of Target Company and Respondent 3 till March 26, 2018.

The petition has been filed on the grounds that *inter alia* (i) resignation of Respondent 2 was tendered without any reason and prior notice and it amounted to a violation under clause 33 of the Articles of Association of Respondent 1 and also in violation terms of condition of NSE

agreement, of which Respondent 1 was a registered member/broker; (ii) Respondent 2 filed illegal and frivolous complaints in civil and criminal in nature before the police authorities and the Registrar of Companies; (iii) the majority group of shareholders of Respondent 1 did not cooperate in complying with the mandatory statutory provisions of various statutes; (iv) Respondent 2 held majority number of shares and did not cooperate in amicable settlement of family disputes in Respondent 1; etc.

The reliefs sought by the Petitioner are *inter alia* (i) restrain Respondents 2 and 3 from further altering, transferring the composition of shareholding in Respondent 1; (ii) declare resignation of Respondent 2 unlawful, improper and a contravention under Section 129 of the Companies Act, 2013; (iii) direct Respondent 2 and 3 to undo all illegal and arbitrary acts such as resignation of Respondent 2 and transfer of shares by Respondent 3; (iv) punish Respondent 2 and 3 under sections 447, 448 and 451 of the Companies Act, 2013; etc. The said matter is yet to be listed and heard before the NCLT.

- Acquirer makes no assurance with respect to the continuation of the past trend in the financial performance of the Target Company and makes no assurance with respect to the future performance of the Target Company.
- The Acquirer cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and the Acquirer 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 Offer.

The risk factors set forth above are limited to the Offer and not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer, but are only indicative and are not exhaustive. The risk factors do not relate to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation in the Offer by an Eligible Shareholder. The Eligible Shareholders are advised to consult their stockbroker, or tax advisor or investment consultant, if any, for further risks with respect to their participation in the Offer.

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** will be included in the Letter of Offer*

I. KEY DEFINITIONS

Acquirer	Zyden Technologies Private Limited having registered office at 45/9, Arogya Sadan, J.B. Nagar, Andheri East, Mumbai– 400 059, Maharashtra, India.
Board of Directors	Board of directors of the Target company
BSE	BSE Limited
Buying Broker	Stock Broker appointed by Acquirer for the purpose of this Open Offer i.e. Sushil Financial Services Private Limited
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956 and the Companies Act, 2013 (to the extent applicable) as amended, substituted or replaced from time to time.
Depositories	CDSL and NSDL, referred to as collectively
Detailed Public Statement/ DPS	Detailed Public Statement dated October 28, 2020, issued by the Manager to the Offer, on behalf of the Acquirer, in relation to the Offer and published in all editions of Financial Expresss (English), Jansatta (Hindi), Mumbai Lakshdeep (Marathi) and Business Remedies (Regional Language newspaper (Hindi, Jaipur) where the registered office of the Target Company is located) on October 29, 2020 in accordance with the Regulation 3(1) read with Regulations 13(4), 14 (3) and 15(2) and other applicable regulations of the SEBI (SAST) Regulations.
DIN	Director Identification Number
DP	Depository participant
DLOF/ Draft Letter of Offer	The Draft Letter of Offer dated November 05, 2020, filed with SEBI in accordance with Regulation 16(1) of the SEBI (SAST) Regulations.
Eligible Persons/Shareholders to Participate in the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirer, Sellers, Promoter and Promoter members of the Target Company) are eligible to participate in the Offer any time before the closure of the Offer.
EPS	Earnings Per Share calculated as Profit after tax divided by Number of equity shares issued.
Equity Share(s)/ Share(s)	The fully paid up equity share(s) of the Target Company having a face value of ₹ 10 (Rupees Ten only) per equity share
Equity Share Capital	The Issued, Subscribed and paid up Share Capital of the Target Company is ₹ 3,30,34,000 comprising of 33,03,400 Equity Shares of ₹ 10 each.
Escrow Agreement	Escrow Agreement entered between the Acquirer, Escrow Agent and Manager to the Offer
Escrow Bank / Escrow Agent	Axis Bank Limited
FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
FII(s)	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as Foreign Portfolio Investors, such Foreign Portfolio Investors
Identified Date	The date falling on the 10 th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent
JSE	Jaipur Stock Exchange
Letter of Offer/ LOF	The Letter of Offer dated [●], duly incorporating SEBI's comments on the Draft Letter of Offer

Manager to the Offer	Saffron Capital Advisors Private Limited
Minimum Public Shareholding	25% (Twenty five per cent) public shareholding (Minimum Public Shareholding) as determined in accordance with Regulation 38 of the LODR Regulations read with Rule 19 A of the SCRR.
MOU	Memorandum of Understanding
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
NRI	Non-Resident Indian as defined in Foreign Exchange Management (Deposit) Regulations, 2000, as amended
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
Offer/Open Offer	This Open Offer, being made by the Acquirer for acquiring upto 8,58,884 (Eight Lacs Fifty Eight Thousand Eight Hundred Eighty Four) Equity Shares representing 26% of the fully paid up equity share capital and voting share capital of the Target Company, from the Public Shareholders at the Offer Price of ₹ 3 (Rupees Three only) per Equity Share, payable in cash
Offer Consideration	The maximum consideration payable under this Offer, assuming full acceptance, is ₹ 25,76,652 (Rupees Twenty Five Lacs Seventy Six Thousand Six Hundred Fifty Two only).
Offer Period	Period commencing from Monday, October 26, 2020 till the date on which the payment of consideration to the Public Shareholders who have accepted the Offer is made, or the date on which Offer is withdrawn, as the case may be.
Offer Price	₹ 3 (Rupees Three only) per Equity Share
Offer Size/Offer Shares	Upto 8,58,884 (Eight Lacs Fifty Eight Thousand Eight Hundred Eighty Four) Equity Shares representing 26% of the Equity Share Capital and Voting Share Capital of the Target Company
PAN	Permanent Account Number, issued under the Income Tax Act, 1961
Public Shareholders	Public Shareholders means all the equity shareholders of the Target Company other than (i) the Acquirer, (ii) the parties to the Share Purchase Agreement ("SPA") (defined below for the sale of Equity Shares of the Target Company) and (iii) persons deemed to be acting in concert with parties at (i) and (ii) above, in compliance with the provisions of Regulation 7(6) of the Takeover Regulations.
Public Announcement/PA	Public Announcement of the Open Offer made by the Manager to the Offer on behalf of the Acquirer on October 26, 2020 in accordance with SEBI (SAST) Regulations
RBI	Reserve Bank of India
Registrar to the Offer	Bigshare Services Private Limited
RTGS	Real Time Gross Settlement
Sale Shares	Sale Shares means 8,46,200 equity shares constituting 25.62% of the paid-up share capital
SCRR	Securities Contract (Regulations) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended).
SEBI Act	SEBI Act, 1992, as amended
SEBI Stock Exchange Mechanism Circular	SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by the SEBI, and as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by the SEBI
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto

Sellers	Sellers shall mean the members of the promoter and promoter group of the Target Company namely, Prem Lata Somani, Naval Kumar Somani and Nivesh Somani and parties to the Share Purchase Agreement
Selling Broker	Respective stock brokers of all Eligible Shareholders who desire to tender their shares under the Open Offer
SPA	Share Purchase Agreement dated October 26, 2020 executed between the Acquirer and the Sellers, pursuant to which the Acquirer has agreed to acquire from the Sellers 8,46,200 Equity Shares of the Target Company, representing 25.62% of the paid-up equity share capital and voting capital of the Target Company at a price of ₹ 3 (Rupees Three only) per Equity Share
SPA Date	SPA date means the execution date of the SPA i.e. October 26, 2020
Stock Exchange	BSE Limited or BSE
Target Company	Prem Somani Financial Services Limited, having its registered office at 42, Jai Jawan Colony 3, Ward No. 21, Jaipur, Rajasthan – 302 018, India
Tendering Period	Monday, December 21, 2020 to Monday, January 04, 2020
Voting Share Capital	Voting Share Capital means the total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10 th (Tenth) working day from the closure of the Tendering period
Working Day	A working day of SEBI at Mumbai

II. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS 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. THIS 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 PREM SOMANI FINANCIAL SERVICES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE 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 THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 05, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THIS 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 OPEN OFFER.”

III. DETAILS OF THE OFFER

A) Background of the Offer

1. This Offer is a mandatory open offer made by the Acquirer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 pursuant to the execution of SPA to acquire in excess of 25% of the Equity Shares of the Target Company along with control over the Target Company.
2. The Acquirer has entered in to SPA dated October 26, 2020 with the Sellers for purchase of 8,46,200 equity shares constituting 25.62% of the paid-up equity share capital and voting share capital of the Target Company ("**Sale Shares**") at a price of ₹ 3 (Rupees Three only) per equity share aggregating to 25,38,600 (Rupees Twenty Five Lakhs Thirty Eight Thousand Six Hundred Only), subject to such terms and conditions as mentioned in the SPA. As per the SPA, the Acquirer also reserves the right to further acquire upto 78,800 Equity shares constituting 2.39% of the paid up share capital and voting share capital of the Target Company from the other members of the promoter and promoter group of the Target Company on the same terms and conditions as mentioned in the SPA, subject to Acquirer maintaining its shareholding within the limits prescribed for minimum public shareholding.
3. The salient features of the SPA are as under:
 - a) The Acquirer agrees to take steps to comply with the SEBI (SAST) Regulations and to comply with all laws that may be required to give effect to the SPA Shares.
 - b) In the event of non-compliance of any provisions of the SEBI (SAST) Regulations, the SPA shall not be acted upon by the SPA Sellers or Acquirer.
 - c) The Acquirer reserves the right to acquire further upto 78,800 equity shares from the members of the promoter group on the same terms and conditions as mentioned in the SPA.
 - d) Post completion of the Open Offer, the sellers and members of the promoter group Sellers shall be reclassified under public category as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For some of the above terms more specifically defined in the SPA and other details of SPA, Public Shareholders of the Target Company may refer to a copy of the SPA, which would be available to them for inspection during the Tendering Period at the office of the Manager to the Offer.

4. The Acquirer hereby makes this Offer to all Public shareholders of the Target Company to acquire Offer Shares, representing in aggregate upto 26% (Twenty Six per cent) of the Total Equity Share Capital and Voting Share Capital of the Target Company at a price of ₹ 3 (Rupees Three only) per fully paid up equity share ("**Offer Price**") payable in cash subject to the terms and conditions mentioned in the PA, DPS and in the Letter of Offer that will be circulated to the shareholders in accordance with the SEBI (SAST) Regulations.
5. The prime object of the open offer is to acquire substantial shares/voting rights accompanied by control over the Target Company. The Acquirer proposes to build new business relating to Software and Information Technology based infrastructure related services and intends to change the object clause of the Target Company, subject to customary regulatory and shareholder approvals, if any. Upon completion of the Open Offer, the Acquirer may reorganize the present capital and also further strengthen the Board of the Target Company.
6. The Offer Price is payable in cash, in accordance with Regulation 9(1) of the SEBI (SAST) Regulations.

7. This Offer is not made pursuant to any indirect acquisition, arrangement or agreement and is not a conditional offer.
8. This Offer is not a result of a global acquisition, an open market purchase or a negotiated deal.
9. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.
10. As on the date of this Draft Letter of Offer, none of the person(s) forming part of the Board of Directors of the Target Company represent the Acquirer.
11. The Sellers shall cease to be the Promoters of Target Company and relinquish the management control of the Target Company along with other members of Promoter Group in favour of the Acquirer. The Acquirer will acquire control of the Target Company, and shall be classified as new promoter of the Target Company, subject to the approval of the shareholders of the Company in accordance with the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**SEBI LODR Regulations**"). The reclassification shall also be subject to the compliance of the conditions specified in Regulation 31A of the SEBI LODR Regulations.
12. The Committee of Independent Directors of the Board of the Target Company, will come out with their recommendations for the Offer and the same shall be published in the newspapers where the Detailed Public Statement appeared latest by Thursday, December 17, 2020.

B) Details of the proposed Offer:

1. The Public Announcement announcing the Open Offer, under Regulation 3(1) and Regulation 4 was made on October 26, 2020 to BSE and a copy thereof was also filed with SEBI and sent to the Target Company at its registered office.
2. The Acquirer has published the DPS on October 29, 2020, in the following newspapers:

<u>Sr. No</u>	<u>Newspapers</u>	<u>Language</u>	<u>Editions</u>
1	Financial Express	English	All Editions
2	Jansatta	Hindi	All Editions
3	Mumbai Lakshdeep	Marathi	Mumbai
4	Business Remedies	Hindi	Registered office of Target Company (Jaipur)

A copy of the DPS is also expected to be available on the SEBI's website: www.sebi.gov.in. Simultaneously, in accordance with the provisions of Regulation 14(4) of SEBI (SAST) Regulations, a copy of the DPS has been sent by the Manager to the Offer to: (i) SEBI; (ii) BSE; and (iii) the registered office of the Target Company.

3. The Open Offer is being made by the Acquirer to all Public Shareholders, for acquisition of up to **8,58,884** (Eight Lacs Fifty Eight Thousand Eight Hundred Eight Four) Shares, representing upto **26%** (Twenty Six per cent) of the fully paid-up Equity Share Capital and Voting Share Capital of the Target Company, at a price of **₹ 3** (Rupees Three only) ("Offer Price") aggregating **₹ 25,76,652** (Rupees Twenty Five Lacs Seventy Six Thousand Six Hundred Fifty Two only) ("**the Offer Size**"), to be paid in cash, in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions set out in the DPS and this Draft Letter of Offer.
4. There are no conditions as stipulated in the SPA, the meeting of which would be outside the reasonable control of the Acquirer, and in view of which the Offer might be withdrawn under Regulation 23(1) of the SEBI (SAST) Regulations.
5. All Shares validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in this Draft Letter of Offer. In the event that the Shares tendered

in the Open Offer by the Public Shareholders are more than the Offer Size, the acquisition of Shares from the Public Shareholders will be on a proportionate basis.

6. The Shares to be acquired under the Offer must be free from all lien, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
7. There are no partly paid up Shares in the Target Company.
8. There is no differential pricing being offered for the Offer Shares tendered in the Open Offer.
9. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations and there has been no competing offer as on the date of the Draft Letter of Offer.
10. The Manager to the Offer does not hold any Shares as on the date of appointment as Manager to the Offer and as on the date of this Draft Letter of Offer. The Manager to the Offer further declares and undertakes that it shall not deal in the Shares of the Target Company during the period commencing from the date of its appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.
11. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.
12. As on the date of this Draft Letter of Offer, the Acquirer does not hold any Shares in the Target Company.
13. To the best of the knowledge and belief of the Acquirer, as on the date of this Draft Letter of Offer, there are no statutory or other approvals required to implement the Offer other than as indicated in section VII (B) of this Draft Letter of Offer. If any other statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal, a public announcement will be made within two working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, BSE and to the Target Company at its registered office.
14. The Acquirer does not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot and the notice for such postal ballot shall contain reasons as to why such alienation is necessary in terms of Regulation 25(2) of SEBI (SAST) Regulations.
15. As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 as amended (**SEBI LODR Regulations**) read with rule 19A of the Securities Contract (Regulation) Rules, 1957, and subsequent amendments thereto ("**SCRR**"), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with the SCRR, on a continuous basis for listing. Upon completion of the offer and the underlying transaction pursuant to the SPA, if the public shareholding of the Target Company falls below the minimum level as required to be maintained by the Target Company under the SCRR and the SEBI LODR Regulations, the Acquirer undertakes to reduce its shareholding to the level stipulated in the SCRR within the time and in the manner specified in the SCRR and SEBI LODR Regulations.
16. If the Acquirer acquires Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer shall pay

the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

17. The Acquirer has not acquired any Shares of Target Company after the date of PA i.e. October 26, 2020 and up to the date of this Draft Letter of Offer.

IV. OBJECT OF THE ACQUISITION/ OFFER

1. The prime object of the open offer is to acquire substantial shares/voting rights accompanied by control over the Target Company. The Acquirer proposes to build new business relating to Software and Information Technology based infrastructure related services and intends to change the object clause of the Target Company, subject to customary regulatory and shareholder approvals, if any. Upon completion of the Open Offer, the Acquirer may reorganize the present capital and also further strengthen the Board of the Target Company.
2. The Acquirer does not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot and the notice for such postal ballot shall contain reasons as to why such alienation is necessary in terms of Regulation 25(2) of SEBI (SAST) Regulations.

V. BACKGROUND OF THE ACQUIRER

ZYDEN TECHNOLOGIES PRIVATE LIMITED (“Acquirer”)

- (a) The Acquirer was incorporated on July 02, 2020, under the Companies Act 2013 as “Zyden Technologies Private Limited” vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The Company Identification Number of the Acquirer is U72900MH2020PTC341312.
- (b) The registered office of the Acquirer is situated at 45/9, Arogya Sadan, J.B. Nagar, Andheri East, Mumbai – 400 059, Maharashtra, India, Email Id: zydentechno@gmail.com.
- (c) The issued and paid up share capital of the Acquirer amounts to ₹ 30,00,000 consisting of 3,00,000 fully paid up equity shares of face value ₹ 10 each.
- (d) Since the Acquirer is has been incorporated only in July 2020, it has not yet commenced its business activities. However, it has been incorporated to carry out the business in development and execution of technology based infrastructure projects.
- (e) The Acquirer does not belong to any group. No person is acting in concert with the Acquirer for the purpose of this Open offer.
- (f) Dinesh Kumar Bohra, Lionel Anthony Loyola Velloz and Sonali Gupta are the Promoters and Directors of the Acquirer.
- (g) Details of the key shareholders/ persons in control / promoters of the Acquirer:

Sr. No.	Name of the Shareholders	No. of Shares	%
1	Promoters		
(a)	Dinesh Kumar Bohra	1,00,000	33.33
(b)	Lionel Anthony Loyola Velloz	1,00,000	33.33
(c)	Sonali Gupta	1,00,000	33.33
2	FII/Mutual-Funds/FIs/Banks	--	--
3	Public	--	--
	Total	3,00,000	100

- (h) Details of Board of Directors of the Acquirer:

Sr. No	Name of the Directors	DIN	Qualification and Experience	^s Date of Appointment
1	Dinesh Kumar Bohra	02352022	Dinesh Bohra holds a bachelor's degree in Commerce from University of Bombay and has overall 30 years of experience in the field of capital markets and equity broking business, handling retail and corporate clients. He is a Director with Associated Stock Broking Private Limited since July 2010.	July 02,2020
2	Lionel Anthony Loyola Velloz	02675063	Lionel holds a bachelor's degree in Commerce from University of Mumbai and has a keen interest in the field of Human Resources and Training & Development. With more than 20 years of experience in the said areas, he is associated with Ace Technologies and Infrastructure Private	July 02,2020

			Limited and also Art of Technologies Infrastructure Limited as a Director.	
3	Sonali Gupta	08729522	A Bachelors in Business Administration from Ahmedabad University, Sonali completed her MBA, Finance from NMIMS University in 2020 and is currently associated as a tax analyst with Deloitte, Hyderabad.	July 02,2020

\$ Source: www.mca.gov.in

- (i) Neither the Acquirer nor its directors or key employees have any relationship or interest in the Target Company. There are no directors on the board of the Target Company representing the Acquirer.
- (j) None of the securities of Acquirer are listed on any of the stock exchanges in India or outside India.
- (k) Acquirer does not hold any shares in the Target Company as on the date of this Draft Letter of Offer. Pursuant to the Share Purchase Agreement, the Acquirer proposes to acquire 8,46,200 Equity shares from the sellers of the Target Company constituting 25.62% of the Target Company. Further, upon consummation of the Share Purchase Agreement, the Acquirer shall be classified and will become the Promoter of the Target Company.
- (l) Acquirer confirms that it has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended ("**SEBI Act**") or under any other Regulation made under the SEBI Act.
- (m) Acquirer has confirmed that it is not categorized as a "willful defaulter" in terms of regulation 2(1) (ze) of the SEBI (SAST) Regulations.
- (n) The Net Worth of Acquirer as on October 20, 2020 is ₹ 27,24,600 (Rupees Twenty Seven Lacs Twenty Four Thousand Six Hundred only), which is certified by Shubham Kaushik & Co, Chartered Accountants, (Membership Number 181849; Firm Registration Number 151830W; Email: skco2019@gmail.com and having its office at Office No. 11, 1st Floor, Plot No. 57, Vyas Building, Dadi Seth Agiary Lane, Kalbadevi, Mumbai 400 002, Maharashtra, India, vide a certificate dated October 23, 2020, bearing Unique Document Identification Number (UDIN) 20181849AAAAFX9585.
- (o) Acquirer confirms that none of its promoters or directors or persons in control have been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- (p) Acquirer confirms that there are no pending litigations pertaining to securities market where they are made party to.
- (q) Acquirer confirms that none of its promoters or directors or persons in control are parties to any pending litigations pertaining to securities market or otherwise.
- (r) The Acquirer was incorporated on July 02, 2020 and currently does not have any active business activity, hence no financial statements have been prepared as on the date of this Draft Letter of Offer.
- (s) Acquirer confirms that there are no contingent liabilities pending as on the date of this Draft Letter of Offer.
- (t) Acquirer does not hold any Equity Shares of the Target Company. Hence compliance with Chapter V of SEBI (SAST) Regulations is not applicable.

- (u) The current and proposed shareholding of the Acquirer in the Target Company and the details of the acquisition are as follows:

Details	Acquirer	
	Number of Shares	% of Share Capital
Shareholding as on the PA date	Nil	Nil
Shares acquired between the Public Announcement date and the DPS date	Nil	Nil
Shares acquired through SPA	8,46,200	25.62%
Shares proposed to be acquired in the Offer (assuming full acceptance)	8,58,884	26.00%
* Post Offer Shareholding on diluted basis on 10th working day after closing of Tendering period	17,05,084	51.62%

**Assuming full acceptance in the offer*

(Note - As per the SPA dated October 26, 2020 the Acquirer reserves the right to further acquire 78,800 Equity shares constituting 2.39% of the Target Company from the members of the promoter and promoter group of the Target Company on the same terms and conditions as mentioned in the SPA, subject to acquirer maintaining its shareholding within the limits prescribed for minimum public shareholding).

VI. BACKGROUND OF THE TARGET COMPANY

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

1. The Target Company was incorporated on September 25, 1991 under the Companies Act 1956 as “Prem Somani Financial Services Private Limited”. It was converted to public company and its name was changed to “Prem Somani Financial Services Limited”. A fresh certificate of incorporation pursuant to such conversion was issued on September 16, 1994. There has been no change in the name or constitution of the Target Company thereafter.
2. The registered office of the Target Company is situated at 42, Jai Jawan Colony 3, Ward No. 21, Jaipur, Rajasthan – 302 018; India.
Email: limitedpsfs@gmail.com; Website: www.psfs.co.in
3. Corporate Identity Number of the Target Company is L67120RJ1991PLC006220.
4. The Equity Shares of the Target Company have been listed on BSE since July 03, 1995 (BSE Scrip Code – 530669). The International Securities Identification Number (ISIN) of Equity Shares of the Target Company is INE035401012.
5. Target Company was registered as Non- Banking Financial Company (“NBFC”) since March 04, 1998, bearing Certificate of Registration No. 10.00026. It was engaged in activities pertaining to Financial Services. However, Reserve Bank of India (“RBI”) on October 18, 2018 had cancelled the license of the Target Company to act as a NBFC due to failure of the Target Company to achieve its Net Owned Funds criteria of ₹ 200 lacs pursuant to Revised Regulatory Framework for NBFCs (RBI/2014-2015/520DNBR (PD) CC.No 024/03.10.001/2014-2015) read with Notification No. DNBR.007/CGM (CDS)-2015 dated March 27, 2015. Post this, the Target Company is not engaged in any substantial business activity.
(Sources: www.psfs.co.in and Secretarial Audit Report for the Financial Year ended March 31, 2019)
6. The Authorized Share Capital of the Target Company ₹ 7,00,00,000 comprising of 70,00,000 Equity Shares of face value ₹ 10 each. The current issued, subscribed and paid up Share Capital of the Target Company is ₹ 3,30,34,000 comprising of 33,03,400 Equity Shares of face value ₹ 10 each.
7. There are no outstanding partly paid up shares or any other convertible instruments to be converted into Shares of the Target Company at a future date.
8. The Shares of the Target Company were initially listed on Jaipur Stock Exchange Limited (“JSE”) and BSE Ltd (“BSE”) pursuant to its Initial Public Issue. However, shares of the Target Company were delisted from JSE with effect from February 19, 2005 pursuant to approval of application made by the Target Company for voluntary delisting of its shares from JSE.
9. The Equity Shares of the Target Company are not suspended from trading at the BSE as on the date of this Draft Letter of Offer. The Equity Shares of the Target Company are listed at BSE under group XT and traded under Graded Surveillance Measures (GSM–Stage 0).
10. The Shares of the Target Company are infrequently traded on BSE within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.
11. The share capital structure of the Target Company as of the date of this Draft Letter of Offer is:

Issued and Paid-up Equity Share of the Target Company	Pre- Open Offer		Post- Open Offer	
	Number of Shares	%	Number of Shares	%
Fully paid-up Equity Shares	33,03,400	100.00	33,03,400	100.00
Partly paid-up Equity Shares	Nil	Nil	Nil	Nil
Total paid-up Equity Shares	33,03,400	100.00	33,03,400	100.00

Total Voting Rights in Target Company	33,03,400	100.00	33,03,400	100.00
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12. There are no outstanding partly paid up shares or any other convertible instruments to be converted into Shares of the Target Company at a future date.
13. The Promoter and Promoter Group of the Target Company have been unable to provide the acknowledged copies of the disclosures filed by them under Regulation 30(2) of Chapter V of the SEBI SAST Regulations from the FY 2012 till FY 2018. Disclosures under Regulation 30(2) of Chapter V of the SEBI SAST Regulations from FY 2016 to FY 2020 are available on the BSE website, however the timeliness of the filings (except for FY 2019 and FY 2020) cannot be ascertained, due to unavailability of acknowledged copies.
14. Nawal Kumar Somani, through an affidavit cum declaration dated October 12, 2020, has stated that the promoters have filed the necessary disclosures to BSE and the Target Company, and that the documents pertaining to the Target Company, including the acknowledged SAST filings were destroyed due to an incident of fire which happened on March 26, 2018 at the residence of Nawneet Somani, the then Chief Financial Officer cum Managing Director (also part of Promoter Group), and where the documents, pertaining to the Target Company were kept. The incident of fire has been noted in the General Diary details dated March 30, 2018 by officers at Vaishali Nagar Police Station, Jaipur (west), Rajasthan.
15. The above fire incident has been reported in the Target Company's Annual Report for 2017-18, Secretarial Audit Report dated August 13, 2018, certified by Sandeep Kumar Jain, FCS 5398, CP. 4151 for and behalf of Arms and Associates LLP, Company Secretaries, ICSI Unique Registration No. P2011RJ023700 and also confirmed through an affidavit cum declaration dated October 12, 2020 by Nawal Kumar Somani. Therefore, disclosures made by the Promoter and Promoter Group under the Regulation 30(3) of the SEBI SAST Regulations, 2011 for the aforesaid financial years are not available and hence not verifiable by the Manager to the Offer.

SEBI may initiate appropriate action against the outgoing Promoter and Promoter Group in terms of provisions of the SEBI Act for any delayed compliances in terms of SEBI (SAST) Regulations.

16. Mr. Nawneet Somani, director of Prem Somani Share Brokers Private Limited & others ("**Petitioner**") have filed a company petition bearing number 122 of 2020 before the National Company Law Tribunal at Jaipur ("**NCLT**") against Prem Somani Share Brokers Private Limited & Others ("**Respondent 1**") alleging that Mrs. Prem Lata Somani, the erstwhile director of Respondent 1 ("**Respondent 2**") and Prem Somani Financial Services Limited ("**Target Company and Respondent 3**") oppressed the minority shareholders of Respondent 1. The Target Company has been made a party to proceedings along with Union of India, Ministry of Corporate Affairs (as **Respondent 4**). Respondent 2 was a director of Respondent 1 till March 23, 2018 and Respondent 1 was an associate company of Target Company and Respondent 3 till March 26, 2018.

The petition has been filed on the grounds that *inter alia* (i) resignation of Respondent 2 was tendered without any reason and prior notice and it amounted to a violation under clause 33 of the Articles of Association of Respondent 1 and also in violation terms of condition of NSE agreement, of which Respondent 1 was a registered member/broker; (ii) Respondent 2 filed illegal and frivolous complaints in civil and criminal in nature before the police authorities and the Registrar of Companies; (iii) the majority group of shareholders of Respondent 1 did not cooperate in complying with the mandatory statutory provisions of various statutes; (iv) Respondent 2 held majority number of shares and did not cooperate in amicable settlement of family disputes in Respondent 1; etc.

The reliefs sought by the Petitioner are *inter alia* (i) restrain Respondents 2 and 3 from further altering, transferring the composition of shareholding in Respondent 1; (ii) declare resignation of Respondent 2 unlawful, improper and a contravention under Section 129 of the Companies Act, 2013; (iii) direct Respondent 2 and 3 to undo all illegal and arbitrary acts such as resignation of Respondent 2 and transfer of shares by Respondent 3; (iv) punish Respondent 2 and 3 under

sections 447, 448 and 451 of the Companies Act, 2013; etc. The said matter is yet to be listed and heard before the NCLT.

17. As on the date of this Draft Letter of Offer, the composition of the Board of Directors of the Target Company is as follows:

Sr. No.	Name, PAN and Address	Designation	Directors Identification Number	Date of Appointment
1.	Prem Lata Somani PAN: AFEPS6862H Address: 42, Jai Jawan Colony, Scheme No.3, Durgapura, Jaipur, Rajasthan – 302018, India	Non-Executive Director	00287433	25/09/1991
2.	Nawal Kumar Somani PAN: ANVPS7843P Address: 42, Jai Jawan Colony, Scheme No.3, Durgapura, Jaipur, Rajasthan – 302018, India	Managing Director	08094850	21/05/2018
3.	Om Prakash Bansal PAN: AAXPB6656L Address: B-215, Aakash Ganga Apartment, Opposite. 22 Godam, Jaipur, Rajasthan – 302006, India	Independent Director	00440540	21/05/2018
4.	Vimal Kumar Gupta PAN: AEBPG6510J Address: Post Malviya Nagar, Village Getor, Nera Shiv Mandir, Jaipur, Malviya Nagar, Jaipur, Rajasthan -302017, India	Independent Director	08657469	26/09/2020

18. No merger / demerger / spin off have taken place involving the Target Company directly or indirectly during the last three year.

The Target Company has however divested its stake from its associate company, Prem Somani Share Brokers Limited on March 26, 2018 as stated in the Annual report for the year 2017-18.

19. Brief financial details of the Target Company, as obtained from its audited standalone financial statements as at and for the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 are as follows:

(Amounts in ₹)

Profit & Loss statement	For the year ended March 31		
	2020	2019	2018
Revenue from Operations	3,02,623	3,66,551	7,80,960
Other Income	92,217	2,67,417	1,49,960
Total Income	3,94,840	6,33,968	9,30,920
Total Expenditure	32,20,374	73,98,687	82,99,530
Profit Before Depreciation Interest and Tax	(28,25,534)	(67,64,719)	(73,68,610)
Depreciation	27,854	26,939	32,336
Interest	-	-	-
Profit/(Loss) before Exceptional items and Tax	(28,53,388)	(67,91,658)	(74,00,946)
Exceptional Items	-	-	-
Profit Before Tax	(28,53,388)	(67,91,658)	(74,00,946)

Provision for Tax	-	-	-
Profit After Tax	(28,53,388)	(67,91,658)	(74,00,946)

(Amounts in ₹)

Balance Sheet statement	As at March 31		
	2020	2019	2018
Sources of Funds			
Paid up share capital	3,30,34,000	3,30,34,000	3,30,34,000
Reserves	(2,41,44,053)	(2,12,90,666)	(1,44,99,009)
Net worth	88,89,947	1,17,43,334	1,85,34,991
Non-current liabilities - Provisions	-	-	37,338
Trade payables	12,520	-	-
Other financial liabilities	1,10,234	1,29,320	1,58,031
Other current liabilities	20,000	4,000	4,000
Borrowings	-	-	-
Current tax liabilities	-	-	-
Total	90,32,701	1,18,76,654	1,87,34,360
Use of Funds			
Non-current assets	35,220	47,547	50,459
Non-current - Investments	2,89,447	3,04,974	3,20,501
Non-current - financial assets	83,73,819	1,14,81,219	1,74,56,373
Current investments	-	-	-
Trade receivables	-	-	-
Cash and cash equivalents	2,69,165	(7,058)	7,60,597
Other financial assets	6,532	14,517	9,766
Income tax assets	58,518	35,455	1,36,664
Total	90,32,701	1,18,76,654	1,87,34,360

(Amounts in ₹, except %)

Other Financial data	For the year ended March 31		
	2020	2019	2018
Dividend (%)	-	-	-
Earnings Per Share (₹)	(0.86)	(2.06)	(2.24)
Return on Net worth (%)	(32.10%)	(57.83%)	(39.93%)
Book Value per share (₹)	2.69	3.55	5.61

20. Brief financial details of the Target Company, as obtained from its unaudited reviewed standalone quarterly financial statements as disclosed to BSE for the quarter ended June 30, 2020 and corresponding quarter ended June 30, 2019 are as follows:

(₹ lacs, except per share data)

Profit & Loss statement (Reviewed, Unaudited)	For the quarter ended June 30	
	2020	2019
Revenue from Operations	1.08	0.53
Other Income	(2.51)	1.14
Total Income	(1.43)	1.67
Employee Benefit expenses	0.84	0.29
Other expenditure	4.14	5.27
Profit Before Depreciation Interest and Tax	(6.41)	(3.89)
Depreciation	0.07	0.07

Interest	--	--
Profit/(Loss) before Exceptional items and Tax	(6.48)	(3.96)
Exceptional Items	--	--
Profit Before Tax	(6.48)	(3.96)
Provision for Tax	--	--
Profit After Tax	(6.48)	(3.96)
Earnings Per Share (₹)	(0.20)	(0.12)

21. Pre and Post Offer Shareholding Pattern of the Target Company as on date of this Draft Letter of Offer is and shall be as follows:

Shareholders' Category	Shareholding & voting rights prior to the agreement /acquisition and Open Offer ¹		Shares/voting rights agreed to be acquired which has triggered off the Regulations		Shares/voting rights to be acquired in Open Offer (Assuming full acceptances)		Shareholding / voting rights after the acquisition and offer (Assuming full acceptances)	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter								
(a) Parties to the SPA	8,46,200	25.62	(8,46,200)	(25.62)	NIL	NA	NIL	NA
(b) Promoters other than (a) above*	1,73,600	5.25	NIL	NA	NIL	NA	1,73,600	5.25
Total 1 (a + b)	10,19,800	30.87	(8,46,200)	(25.62)	NIL	NA	1,73,600	5.25
2. Acquirer	NIL	NA	8,46,200	25.62	8,58,884	26.00	17,05,084	51.62
Total (2)	NIL	NA	8,46,200	25.62	8,58,884	26.00	17,05,084	51.62
3. Parties to SPA other than (1)(a) & 2	NIL	NA	NIL	NA	NIL	NA	NIL	NA
4. Public (other than parties to SPA, Acquirer)	22,83,600	69.13	NIL	NA	(8,58,884)	(26.00)	14,24,716	43.13
Grand Total (1+2+3+4)	33,03,400	100.00	NIL	NA	NIL	NA	33,03,400	100.00

¹ As per the shareholding pattern filed with BSE for the quarter ended September 2020

Notes: *As per the SPA dated October 26, 2020 the Acquirer reserves the right to further acquire 78,800 Equity shares constituting 2.39% of the Target Company from the members of the promoter and promoter group of the Target Company on the same terms and conditions as mentioned in the SPA, subject to acquirer maintaining its shareholding within the limits prescribed for minimum public shareholding.

Post completion of open offer formalities, the sellers along with the other members of Promoter and Promoter Group shall relinquish the control in the management of the Target Company in favour of the Acquirer and will be reclassified to public category in accordance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended.

22. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A) JUSTIFICATION FOR THE OFFER PRICE

1. The Shares of the Target Company are presently listed on BSE only.
2. The annualized trading turnover in the shares of the Target Company on BSE based on trading volume during the twelve calendar months prior to the month of PA (obtained from www.bseindia.com) is as given below:

Stock Exchange	Total no. of equity shares traded during the twelve calendar months prior to the month of PA	Total no. of listed equity shares	Annualized trading turnover (as % of shares listed)
BSE	33,121	33,03,400	1.00

3. Based on the information provided in point above, the Shares of the Target Company are infrequently traded on the BSE within the meaning of explanation provided in regulation 2(1)(i) of the SEBI (SAST) Regulations.
4. The Offer Price of ₹ 3 (Rupees Three only) is justified in terms of regulation 8 of the SEBI (SAST) Regulations, being the highest of the following:

a)	Highest negotiated price per share for acquisition under the agreement attracting the obligations to make a public announcement for the offer	₹ 3.00
b)	The volume-weighted average price paid or payable for acquisition(s), whether by the Acquirer or by any person(s) acting in concert, during the fifty two weeks immediately preceding the date of public announcement	Not Applicable
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any person(s) acting in concert, during the twenty six weeks immediately preceding the date of the Public Announcement	Not Applicable
d)	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, provided such shares are frequently traded	Not Applicable
e)	^Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Open Offer taking into account valuation parameters per Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares	₹ 2.90 [#]
Other Financial Parameters as at March 31, 2020		
	- Return on Net Worth (%)	(32)
	- Book Value per share (₹)	2.69
	- Earnings per share (Diluted) (₹)	(0.86)

[#] Mr. Abhinav Rajvanshi, IBBI Registered Valuer (Registration No: IBBI/RV/06/2019/11765 and having his office at H-15, Chitranjan Marg, C-Scheme, Jaipur – 302 001, Rajasthan, India; Email: valuation@rajvanshica.com), through his valuation report dated August 25, 2020, has certified that the fair value of the Equity Share of Prem Somani Financial Services Limited is ₹ 2.90 each, based on the case of Hindustan Lever Employee Union V/s. Hindustan Lever Limited (1995) (83 Companies Cases 30)

5. In view of the above parameters considered and in the opinion of the Acquirer and the Manager to the Offer, the Offer Price of ₹ 3 (Rupees Three only) per Share is justified in terms of regulation 8 of the SEBI (SAST) Regulations.
6. There have been no corporate actions undertaken by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
7. There has been no revision in the Offer Price or to the size of this Offer as on the date of this Draft Letter of Offer.
8. An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last one working day before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts, as more particularly set out in point 19(B) of this Draft Letter of Offer (ii) make a public announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.

B) FINANCIAL ARRANGEMENTS

1. Assuming full acceptance, the total funds requirement to meet this Offer is ₹ 25,76,652 (Rupees Twenty five lacs seventy six thousand six hundred fifty two only).
2. The Acquirer has confirmed that it has adequate financial resources to meet the obligations under the Open Offer.
3. The Net Worth of Acquirer as on October 20, 2020 is ₹ 27,24,600 (Rupees Twenty Seven Lacs Twenty Four Thousand Six Hundred only), which is certified by Shubham Kaushik & Co, Chartered Accountants, (Membership Number 181849; Firm Registration Number 151830W; Email: skco2019@gmail.com and having its office at Office No. 11, 1st Floor, Plot No. 57, Vyas Building, Dadi Seth Agiary Lane, Kalbadevi, Mumbai 400 002, Maharashtra, India, vide a certificate dated October 23, 2020, bearing Unique Document Identification Number (UDIN) 20181849AAAAFX9585.
4. As a part of their Net Worth, the Acquirer has liquid assets of ₹ 26,50,000 (Rupees Twenty Six Lacs Fifty Thousand only) as on October 20, 2020, which is certified by Shubham Kaushik & Co, Chartered Accountants, (Membership Number 181849; Firm Registration Number 151830W; Email: skco2019@gmail.com and having its office at Office No. 11, 1st Floor, Plot No. 57, Vyas Building, Dadi Seth Agiary Lane, Kalbadevi, Mumbai 400 002, Maharashtra, India, vide a certificate dated October 23, 2020, bearing Unique Document Identification Number (UDIN) 20181849AAAFY9200.
5. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer has opened an escrow cash account bearing account number: 920020058499446 ("Escrow Cash Account") with Axis Bank Limited, a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at Law Garden, Ellis Bridge, Trishul, Ahmedabad - 380 006, Gujarat, India, and acting for the purpose of this agreement through its branch situated at Lata Apartment, Kulupwadi, Borivali East, Mumbai – 400 066, Maharashtra, India and has made a deposit of ₹ 6,50,000 (Rupees Six Lacs Fifty Thousand only) in the Escrow Cash Account. The cash deposited in Escrow Cash Account represents more than 25% of the total consideration payable to the Equity Shareholders under this Offer. The Acquirer has empowered the Manager

to the Offer to operate and to realize the value of the Escrow Cash Account in terms of the SEBI (SAST) Regulations, 2011.

6. In case of any upward revision in the Offer Price or the size of this Offer, the value in cash 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 by the Acquirer, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.
7. Based on the above, Saffron Capital Advisors Private Limited, the Manager to the Offer is satisfied that firm arrangements has been put in place by the Acquirer to implement the Offer in full, in accordance with the SEBI (SAST) Regulations, 2011.

VII. TERMS AND CONDITIONS OF THE OFFER

1. The tendering period will commence on Monday, December 21, 2020 and will close on Monday, January 04, 2021.
2. The Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.
3. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.
4. The Identified date for this Offer is Monday, December 07, 2020.
5. Target Company has subsisting signed agreements with the Depositories (NSDL and CDSL) for offering Shares in dematerialized form. The Shares of the Target Company have ISIN Number: INE035401012.
6. The marketable lot for the Equity Share of the Target Company for the purpose of this Offer shall be 1 (One) Equity Share.
7. None of the Equity Shares of the Target Company are subject to lock-in.
8. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

A) ELIGIBILITY FOR ACCEPTING THE OFFER

1. The Letter of Offer shall be mailed to all Shareholders/Beneficial Owners (except the Promoter and Promoter Group members, Acquirer and the Sellers) whose names appear in register of members of the Target Company as on Monday, December 07, 2020, the Identified Date.
2. The Public Shareholders who have registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through electronic means. If Public Shareholders who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Registrar to the Offer at the address or email id mentioned on the cover page of the Letter of Offer by stating such Shareholder's name, address, number of Equity Shares held on Identified Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Shareholder. The Public Shareholders who have not registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.
3. All Public Shareholders holding the shares in dematerialized form are eligible to participate in this Open Offer at any time during the period from Offer Opening Date till the Offer Closing Date ("Tendering Period") for this Open Offer. Further, in accordance with the Frequently Asked Questions issued by SEBI, "FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting" dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations. The Public Announcement, the Detailed Public Statement, the Letter of Offer and

the Form of Acceptance will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, or the Form of Acceptance from the SEBI's website.

4. Any query of communication in respect of the Open Offer may be addressed to Bigshare Services Private Limited having its office at: 1st floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India; Tel. No: +91 22 6263 8200; Fax No: +91 22 6263 8299; Email: openoffer@bigshareonline.com; Contact Person: Ashish Bhope, between 11.00 am to 5.00 pm on working days.
5. The acceptance of this Offer by the Eligible Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
6. The acceptance of this Offer is entirely at the discretion of the Shareholder(s)/ beneficial owner(s) of the Target Company.
7. The acceptance of Shares tendered in the Offer will be done by the Acquirer in consultation with the Manager to the Offer.
8. 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 Monday, December 21, 2020, 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 Detailed Public Statement was published. The Acquirer would pay such revised price for all the Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the Detailed Public Statement and the Letter of Offer.

B) STATUTORY AND OTHER APPROVALS

1. As of the date of this Draft Letter of Offer, to the knowledge of the Acquirer, there are no statutory approvals required to complete this Offer. However, in case of any such statutory approvals are required by the Acquirer at a later date before the expiry of the tendering period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals.
2. All Public Shareholders, including non-residents holders of Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Shares tendered in this Offer. Further, if the holders of the Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Offer Shares.
3. The Acquirer shall complete all procedures relating to payment of consideration under this Offer within 10 working days from the date of expiry of the tendering period to those shareholders who have tendered Shares and are found valid and in order and accepted for acquisition by the Acquirer.
4. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the

purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by the SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.

5. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if the approvals mentioned in paragraph VII (B) are not satisfactorily complied with or any of the statutory approvals are refused, the Acquirer has a right to withdraw the Offer. In the event of withdrawal, the Acquirer (through the Manager), shall within two (2) working days of such withdrawal, make an announcement stating the grounds for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations, in the same newspapers in which the DPS was published and such announcement will also be sent to SEBI, BSE and the Target Company at its registered office.

VIII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. All Public Shareholders, registered or unregistered, holding the shares in dematerialized form or holding locked-in shares are eligible to participate in this Open Offer at any time during the tendering period for this Open Offer. For details in relation to tendering of Offer Shares held in physical form, please refer to section titled *“Procedure for tendering Equity Shares held in Physical form”* below of this part, for details in relation to tendering of Offer Shares held in physical form.
2. Persons who have acquired Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer.
3. The Open Offer will be implemented by the Target Company through Stock Exchange Mechanism made available by BSE in the form of separate window (Acquisition Window) as provided under the SEBI SAST Regulations read with SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 as may be amended from time to time, issued by SEBI.
4. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE, which shall be the Designated Stock Exchange, in the form of a separate window (**“Acquisition Window”**).
5. For implementation of the Open Offer, the Acquirer has appointed Sushil Financial Services Private Limited as the registered broker (the **“Buying Broker”**) through whom the purchases and settlements on account of the Open Offer would be made by the Acquirer. The contact details of the Buying Broker are as follows:

Name	: Sushil Financial Services Private Limited
SEBI Registration No	: INZ000165135
Address	: 12, Homji Street, Fort, Mumbai – 400 001
Contact Person	: Suresh Nemani
Tel No	: +91 22 40935000
Email	: sfcompliance@sushilfinance.com
6. All Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (**“Selling Broker”**), during the normal trading hours of the secondary market during the Tendering Period.
7. The Acquisition Window provided by BSE shall facilitate placing of sell orders.
8. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.
9. Shareholders can tender their Shares only through a broker with whom they are registered as client (KYC Compliant).
10. In the event Seller Broker of shareholder is not registered with BSE then that shareholder can approach the Buying Broker as detailed in the Point # 5 above and tender the Shares through the Buying Broker after submitting the details as may be required by the Buying Broker to be in compliance with the SEBI regulations.
11. Such Offer shares would be transferred to the respective Selling Broker’s pool account prior to placing the bid.

Procedure for tendering Equity Shares held in dematerialised form

1. The Shareholders who are holding the Shares in demat form and who desire to tender their Shares in this Offer shall approach their Selling Broker, indicating details of Shares they wish to tender in Open Offer.
2. The Selling Broker shall provide early pay-in of demat shares (except for Custodian Participant orders) to the Clearing Corporation before placing the bids / orders and the same shall be validated at the time of order entry. The details of the Special Account of Clearing Corporation shall be informed in the issue opening circular that will be issued by BSE /Clearing Corporation.
3. For Custodian Participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
4. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer.
5. Upon placing the bid, the seller member(s) shall provide Transaction Registration slip ("TRS") generated by the Exchange Bidding System to the Public Shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Shares tendered etc.
6. In case of receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted, for demat Shareholders.
7. The Public Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Shares due to rejection or due to prorated Open Offer.
8. The Public Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement.

Procedure for tendering Equity Shares held in Physical form

In accordance with the Frequently Asked Questions issued by SEBI, "FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting" dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Broker and submit complete set of documents for verification procedure as mentioned below:-

- a) Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
- b) Original share certificate(s).
- c) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.

- d) Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
- e) Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature).
- f) Self-attested copy of address proof such as valid Aadhar Card, Voter Identity card or Passport.
- g) The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- h) After placement of order, as mentioned above in Point (g), the Selling Broker(s)/ Equity Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other required documents either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as "PSFL Open Offer". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- i) Equity Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Offer shall be subject to verification by the RTA. On receipt of the confirmation from the RTA the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- j) In case any person has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Offer before Offer Closing Date.
- k) Equity Shareholders holding Equity Shares in physical mode will be required to fill the respective Forms of Acceptance cum Acknowledgment. Equity Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptance cum Acknowledgment along with the Draft Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance cum Acknowledgment.

Acceptance of Equity Shares

1. Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
2. In the event that the number of Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Shares from a Public Shareholder shall not be less than the minimum marketable lot.

Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer

1. Persons who do not hold 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.

2. An Eligible Shareholder may participate in the Open Offer by approaching their broker / Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in this Draft Letter of Offer.
3. The Letter of Offer along with a Form of Acceptance –cum- Acknowledgement will be dispatched to all the Shareholders whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date. In case of non-receipt of the Letter of Offer, such Shareholders of the Target Company may download the same from the website of SEBI (www.sebi.gov.in) or BSE (www.bseindia.com) or the Manager to the Offer (www.saffronadvisor.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Shares of the Target Company.

Settlement Process

1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Registrar to the Offer in consultation with Manager to the Offer and the final list shall be provided to BSE to facilitate settlement on the basis of the Shares transferred to the Clearing Corporation.
2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the Acquisition Window Circulars.
3. For Equity Shares accepted under the Offer, the Eligible Shareholders will receive funds payout directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Eligible Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Broker's settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Eligible Shareholders. The Eligible Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
4. The funds payout pertaining to the bids of NRIs, foreign shareholders and/or bids confirmed by custodians, will be transferred to the Selling Broker's settlement accounts or the settlement bank account of the custodian, in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
5. The Public Shareholders will have to ensure that they keep the Depository account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the Equity Shares tendered under the Offer.
6. 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.
7. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned back to the Eligible Shareholder(s) directly by Registrar to the Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Public Shareholders' / unregistered owners' sole risk to the sole / first Public Shareholder / unregistered owner.
8. The direct credit of Equity Shares will be given to the demat account of Acquirers as indicated by the Buying Broker.
9. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirers.

10. In case of partial or non-acceptance of orders the balance demat Equity Shares will be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares will be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
11. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
12. If Public Shareholders' bank account details are not available or if the fund transfer instruction is rejected by the RBI or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Eligible Shareholder.
13. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Target Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
14. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

NOTE ON TAXATION

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

IX. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Shareholders at the office of the Manager to the Offer at Centre Point, 605, 6th floor, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai- 400 059, Maharashtra, India, on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. from the date of opening of the Offer until the closure of this Offer:

1. Certificate of Incorporation, Memorandum and Articles of Association of Zyden Technologies Private Limited.
2. Certificate dated October 23, 2020 issued by Shubham Kaushik, Proprietor of Shubham Kaushik & Co, Chartered Accountants (*Membership No: 181849; FRN No: 151830W*), certifying the Net Worth of the Acquirer
3. Certificate dated October 23, 2020 issued by Shubham Kaushik, Proprietor of Shubham Kaushik & Co, Chartered Accountants (*Membership No: 181849; FRN No: 151830W*), certifying the adequacy of financial resources with the Acquirer to fulfill the obligations under the Open Offer.
4. Annual reports of the Target Company for the financial years ending March 31, 2020, March 31, 2019, March 31, 2018.
5. Unaudited Financial Results and Limited Review Report of the Target Company for the quarter ended June, 2020.
6. Copy of the letter dated October 28, 2020 issued by Axis Bank Limited confirming the cash deposit of ₹ 6,50,000 (Rupees Six Lacs Fifty Thousand only) in the Escrow Account.
7. Copy of Escrow Agreement dated October 27, 2020 between the Acquirer, Manager to the Offer and Escrow Bank.
8. Copy of Share Purchase Agreement dated October 26, 2020 between the Acquirer and Sellers.
9. Copy of Public Announcement dated October 26, 2020, issued by the Manager to the Offer.
10. Copy of the Detailed Public Statement dated October 28, 2020 and published in newspapers on October 29, 2020, issued by the Manager to the Offer.
11. Copy of the recommendation made by the Target Company's committee of Independent Directors, as issued under Regulation 26(7) of the SEBI (SAST) Regulations.
12. Copy of the Pre Offer advertisement dated [●]
13. Copy of the letter from SEBI dated [●], containing its comments on the Draft Letter of Offer.

X. DECLARATION BY THE ACQUIRER

All information pertaining to the Target Company has either been provided by the Target Company or obtained from publicly available sources and the accuracy thereof has not been independently verified by the Acquirer, or the Manager to the Offer. Subject to the aforesaid, the Acquirer accepts full responsibility for all the information contained in this Draft Letter of Offer in relation to it, and it shall not be responsible for any other information contained in this Draft Letter of Offer.

The Acquirer accepts the responsibility for its obligations as laid down in terms of the SEBI (SAST) Regulations. The Acquirer shall be solely responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations.

The person signing this Draft Letter of Offer is duly and legally authorized by the Acquirer to sign this Draft Letter of Offer.

For and on behalf of the Acquirer
Zyden technologies Private Limited

Sd/-

Dinesh Kumar Bohra
Director

Place: Mumbai

Date: November 05, 2020