

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (LoF) is sent to you as a Public Shareholder(s) of Thirdwave Financial Intermediaries Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager / Registrar to the offer. In case you have recently sold your shares in the Company, please hand over this LoF and the accompanying Form of Acceptance cum acknowledgement to the Member of Stock Exchange through whom the said sale was effected."

OPEN OFFER BY

ZHONGMIN GUOEN INDUSTRIAL GROUP (UK) LIMITED (‘ACQUIRER’)

Registered office at Fifth Floor, 3 Gower Street, London, United Kingdom, WC1E 6HA

Tel. No.: +86 17338172573; Fax No.: Not Available

To acquire upto 647,900 (Six Lacs Forty-Seven Thousand and Nine Hundred) Equity Shares of face value of INR 10/- (Indian Rupee Ten Only) each representing 29.35% of the Paid-up Share Capital of

THIRDWAVE FINANCIAL INTERMEDIARIES LIMITED (‘TARGET COMPANY’)

Registered Office: Unit - 601, Ambuja Neotia Ecocentre, EM-4, EM Block, Sector V, Kolkata, West Bengal – 700091

Tel. No.: +91-033-46039630; Website: www.twfil.com; Email ID: investor.thirdwave@gmail.com

At a price of INR 17.00/- (Indian Rupees Seventeen Only) per fully paid up equity share payable in cash, pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (‘SEBI (SAST) Regulations’) and subsequent amendments thereof.

1. This offer is being made by Acquirer pursuant to Regulation 3(1) and Regulation 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto for substantial acquisition of shares and control over the Target Company.
2. The Offer is not subject to any minimum level of acceptance.
3. The details of statutory approvals required are given in para 7.4 of this draft Letter of Offer.
4. **THIS OFFER IS NOT A COMPETING OFFER.**
5. If there is any upward revision in the Offer Price by the Acquirer upto one working day prior to the commencement of the tendering period i.e. upto August 18, 2020, Tuesday or in the case of withdrawal of offer, the same would be informed by way of the Offer Opening Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer for all the shares validly tendered anytime during the offer.
6. **THERE IS NO COMPETING OFFER TILL DATE.**
7. A copy of Public Announcement, Detailed Public Statement, and Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI's web-site: www.sebi.gov.in.

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8 ‘PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER’ (PAGE NO. 29 to 35).

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

MANAGER TO THE OFFER



**Corporate
Professionals**

CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED

CIN: U74899DL2000PTC104508

D-28, South Extn., Part – I, New Delhi – 110049

Contact Person: Mr. Manoj Kumar/
Ms. Ruchika Sharma

Ph. No.: +91-11-40622228/ +91-11-40622248

Fax. No.: 91-11-40622201

Email ID: manoj@indiacp.com /

ruchika.sharma@indiacp.com

SEBI Regn. No.: INM000011435

REGISTRAR TO THE OFFER



NICHE TECHNOLOGIES PRIVATE LIMITED

CIN: U74140WB1994PTC062636

3A, Auckland Place, 7th Floor, Room No. 7A &

7B, Kolkata – 700 017, West Bengal

Contact Person: Mr. S. Abbas /

Mr. Aniruddha Dutta

Ph. No.: +91-33-2280 6616 / 6617 / 6618;

Fax. No.: +91-33-2280 6619

Email: nichetechpl@nichetechpl.com

SEBI Regn. No.: INR-000003290

OFFER OPENS ON
August 20, 2020, Thursday

OFFER CLOSSES ON
September 02, 2020, Wednesday

SCHEDULE OF ACTIVITIES OF THE OFFER

ACTIVITY	DATE AND DAY
Public Announcement (PA) Date	June 30, 2020, Tuesday
Detailed Public Statement (DPS) Date	July 07, 2020, Tuesday
Last date for a competing offer	July 28, 2020, Tuesday
Identified Date*	August 06, 2020, Thursday
Date by which LoF will be despatched to the Public Shareholders	August 13, 2020, Thursday
Issue Opening PA Date	August 19, 2020, Wednesday
Last date by which Board of TC shall give its recommendations	August 17, 2020, Monday
Date of commencement of tendering period (Offer opening Date)	August 20, 2020, Thursday
Date of expiry of tendering period (Offer closing Date)	September 02, 2020, Wednesday
Date by which all requirements including payment of consideration would be completed	September 16, 2020, Wednesday

() Identified Date is only for the purpose of determining the names of the Public Shareholders of the Target Company to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer, person acting in concert with Acquirer, parties to the agreement and persons deemed to be acting in concert thereof) are eligible to participate in the Offer any time before the closure of the Offer.*

Note: As per the Press Note dated April 17, 2020 of Government of India, the transaction is subject to approval from Department for Promotion of Industry and Internal Trade ('DPIIT'). No acquisition of shares contemplated under Share Purchase Agreement or under Open Offer would be done unless the approval is received from DPIIT. Hence proposed timelines may get extended in case there is delay in receipt of the said approval.

RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirer.

(A) Relating to Transaction:

- 1) The Acquirer is a company incorporated under the provisions of Companies Act, 2006 of England and Wales, United Kingdom, however, the ultimate beneficial owner of the Acquirer is a citizen of People's Republic of China. Thus, in terms of Press Note No. 3 (2020 Series) dated April 17, 2020, the transfer of shares and control of the Target Company (hereinafter referred as 'Underlying Transaction') from Sellers to Acquirer and acquisition of shares under the Open Offer would be regarded as Foreign Direct Investment ('FDI') in India requiring prior approval from Department for Promotion of Industry and Internal Trade ('DPIIT'), Government of India (hereinafter referred as 'FDI Approval'). The Acquirer would make an application to DPIIT for acquisition of equity shares and control of the Target Company in terms of Press Note No. 3 (2020 Series) dated April 17, 2020. The SPA transaction as well as this Open Offer shall be completed only on receipt of approval from DPIIT. In case of non-receipt of approval from DPIIT, the SPA transaction shall not be completed and the Offer would be withdrawn in terms of the provisions of clause (a) of sub-regulation (1) of Regulation 23 of SEBI (SAST) Regulations.
- 2) In the event that either: (a) the FDI Approval is delayed, as applicable; (b) there is any litigation leading to a stay/injunction on the Offer or that restricts/restrains the Acquirer from performing its obligations hereunder; or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this DLOO or may be withdrawn in terms of Regulation 23 of the SEBI (SAST) Regulations. In case any statutory approval or other governmental approval that may be required by the Acquirer, is not received in time, SEBI may, if satisfied, grant an extension of time to the Acquirer for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) and Regulation 18(11A) of the SEBI (SAST) Regulations. In addition, where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- 3) Acquirer makes no assurance with respect to the market price of the Equity Shares of the Target Company both during the Offer Period and upon completion of the Offer and expressly disclaims any responsibility with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Offer.
- 4) To the best of the knowledge of the Acquirer, apart from the approval required from DPIIT for acquisition of shares and control over the Target Company, no other statutory and other approval(s) is required to complete the acquisition of underlying Share Purchase Agreement

under this Offer other than as indicated in Para 7.4 stating Statutory and other Approvals. However, in case the Acquirer would require any statutory approval(s) which may become applicable at a later date but before the closure of the Tendering Period, then this Offer shall be subject to such further statutory approvals being obtained. In terms of clause (a) of sub-regulation (1) of Regulation 23 of SEBI (SAST) Regulations, if the statutory approvals are not received or refused, the offer would stand withdrawn.

(B) Relating to the Offer:

- 1) This Offer is subject to FDI Approval and if the approval is not received from DPIIT then this offer would be withdrawn in terms of the provisions of Regulation 23 of SEBI (SAST) Regulations.
- 2) This Offer is subject to the provisions of SEBI (SAST) Regulations, and in case of non-compliance with any of the provisions of the SEBI (SAST) Regulations; the Acquirer shall not act upon the acquisition of equity shares under the Offer.
- 3) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
- 4) As per the amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Acquirer would not be able to accept shares in physical form.
- 5) The Acquirer makes no assurance with respect to any decision by the Public shareholders on whether or not to participate in the offer. It is understood that the Public shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- 6) Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Draft Letter of Offer (DLOF)/ Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by Acquirer) would be doing so at his / her / its own risk.
- 7) Public Shareholders should note that those who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.
- 8) This DLOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of the DLOF who are resident in jurisdictions outside India should inform themselves of and comply with all 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 applicable laws or regulations or would be subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.
- 9) The Equity Shares tendered in this Offer may be held in trust by the Registrar to the Offer until the completion of the Offer formalities and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares during such period. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- 10) The Public Shareholders should note that, under the Takeover Regulations, once the Public Shareholders have tendered their Equity Shares, they will not be able to withdraw their Equity

Shares from the Offer during the Tendering Period even in the event of a delay in the acceptance of Equity Shares under the Offer and/or the dispatch of consideration.

(C) Relating to Acquirer

- 1) Acquirer makes no assurance with respect to the financial performance of the Target Company or the continuance of past trends in the financial performance of the Target Company and expressly disclaims any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Offer.
- 2) Acquirer makes no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- 3) The Acquirer makes no assurances with respect to the market price of the Equity Shares before, during or after the Offer.

The risk factors set forth above, pertains to this Offer and are not in relation to the present or future business operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in the Offer. Public Shareholders of TFIL are advised to consult their stockbrokers or investment consultants and / or tax advisors, if any, for analysing all the risks with respect to their participation in the Offer.

CURRENCY OF REPRESENTATION

- a) In this DLOO, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.
- b) In this DLOO, all references to 'Rs.', 'Rupees' and 'INR' are references to Indian Rupees, the official currency of India.
- c) In this DLOO, all references to 'GBP' are references to Great Britain Pound and all the references to USD are references to United States Dollar.

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1. DEFINITIONS:

S. No.	Abbreviations	Particulars
1.	Acquirer or The Acquirer	Zhongmin Guoen Industrial Group (UK) Limited
2.	Board of Directors / Board	The Board of Directors of Thirdwave Financial Intermediaries Limited
3.	Book Value per equity share	Net worth / Number of equity shares issued
4.	BSE	BSE Limited
5.	Buying Broker	Alankit Assignments Limited
6.	CIN	Corporate Identity Number
7.	Companies Act	The Companies Act, 2013, as amended from time to time
8.	Completion	Completion shall have the meaning as provided in the salient features of Share Purchase Agreement
9.	Designated Stock Exchange	BSE
10.	Depositories	CDSL and NSDL
11.	Detailed Public Statement or DPS	Detailed Public Statement which was published in the newspapers on July 07, 2020
12.	DLOO or draft Letter of Offer or DLOF	This draft Letter of Offer filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations
13.	DP	Depository Participant
14.	DPIIT	Department for Promotion of Industry and Internal Trade, Government of India
15.	EPS	Profit after Tax / Number of Equity Shares issued
16.	Escrow Agent/ Escrow Bank/ Escrow Banker	YES Bank Limited
17.	Escrow Agreement	Escrow Agreement dated June 30, 2020 between Acquirer, Manager to the Offer and Escrow Agent
18.	Equity Shareholders	All holders of Equity Shares, including Beneficial Owners
19.	Equity Shares or Shares	Fully paid-up equity shares of face value of INR 10.00/- each of the Target Company
20.	FDI	Foreign Direct Investment
21.	FDI Approval	Approval from Department for Promotion of Industry and Internal Trade ('DPIIT'), Government of India in terms of Press Note No. 3 (2020 Series) issued by Reserve Bank of India ('RBI') dated April 17, 2020, whereby for transfer of ownership to an entity of neighboring countries or to any entity whose beneficial owner is from neighboring countries,

		then such transfer shall be considered as FDI in India and would be subject to approval of DPIIT, Government of India.
22.	FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
23.	Form of Acceptance	Form of Acceptance cum Acknowledgement
24.	GBP	Great Britain Pound
25.	Identified Date	The date falling on the 10 th (Tenth) Working Day prior to the commencement of the Tendering Period i.e. August 06, 2020, Tuesday, for the purpose of determining the Public Shareholders to whom the Letter of Offer ('LOO') in relation to this Offer shall be sent
26.	Paid-up Share Capital	INR 22,076,000 (Indian Rupees Two Crores Twenty Lacs and Seventy-Six Thousand Only) representing 2,207,600 (Twenty-Two Lacs Seven Thousand and Six Hundred) Equity Shares of INR 10/- (Indian Rupees Ten Only) each
27.	Manager to the Offer or, Merchant Banker	Corporate Professionals Capital Private Limited
28.	N.A. or NA	Not Available/ Not Applicable
29.	NRI	Non-Resident Indian
30.	Offer or The Offer or Open Offer	Open Offer for acquisition of upto 647,900 (Six Lacs Forty-Seven Thousand and Nine Hundred) Equity Shares of face value of INR 10/- (Indian Rupees Ten Only) each being 29.35% of the Paid-up Share Capital of Target Company at a price of INR 17.00/- (Indian Rupees Seventeen Only) Equity Share, payable in cash
31.	Offer Period	June 30, 2020, Tuesday to September 16, 2020, Wednesday
32.	Offer Price	INR 17.00/- (Indian Rupees Seventeen Only) per Equity Share, payable in cash
33.	Paid-up Share Capital	INR 22,076,000 (Indian Rupees Two Crores Twenty Lacs and Seventy-Six Thousand Only) representing 2,207,600 (Twenty-Two Lacs Seven Thousand and Six Hundred) Equity Shares of INR 10/- (Indian Rupees Ten Only) each
34.	PAT	Profit After Tax
35.	Persons eligible to participate in the Offer	Registered shareholders of THIRDWAVE FINANCIAL INTERMEDIARIES LIMITED and unregistered shareholders who own the Equity Shares of THIRDWAVE

		FINANCIAL INTERMEDIARIES LIMITED any time prior to the closure of Offer, including the beneficial owners of the shares held in dematerialised form, for the sale of shares of the Target Company.
36.	Public Announcement or PA	Public Announcement submitted with SEBI, BSE and Target Company on June 30, 2020.
37.	Public Shareholders or Shareholders	All the equity shareholders of the Target Company except: <ul style="list-style-type: none"> i. the Acquirer; ii. Sellers being Parties to the SPA; and iii. the Persons deemed to be acting in concert with the persons set out in (i) and (ii).
38.	Registrar or Registrar to the Offer	Niche Technologies Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time
39.	RBI	The Reserve Bank of India
40.	Return on Net Worth	(Profit After Tax/ Net Worth) *100
41.	INR or Rs.	Indian Rupees
42.	SCRR	Securities Contracts (Regulation) Rules, 1957, as amended or modified.
43.	SEBI Act	Securities and Exchange Board of India Act, 1992
44.	SEBI	Securities and Exchange Board of India
45.	SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto
46.	SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
47.	Sellers	a) Mr. Siddhant Agarwal b) Patriach Developers Private Limited; and c) Prudent Man & Ind Con Private Limited Being existing Promoters of the Target Company
48.	SPA	Share Purchase Agreement dated June 30, 2020 entered into between the Acquirer and the Sellers pursuant to which the Acquirer has agreed to acquire from the Sellers, being promoters of the Target Company, 1,007,800 Equity Shares representing 45.65% of the paid-up share capital of the

		Target Company at the price of INR 17.00 per equity share and control over the Target Company. The completion of afore-mentioned transaction is subject to receipt of approval from DPIIT, Government of India and satisfaction of other conditions precedent specified in the SPA.
49.	Target Company or TFIL or TC	Thirdwave Financial Intermediaries Limited
50.	Tendering Period	August 20, 2020 Thursday to September 02, 2020, Wednesday
51.	Transaction	Collectively the Underlying Transaction i.e. Share Purchase Agreement and the Open Offer transaction
52.	UBO	Ultimate Beneficial Owner
53.	USD	United States Dollar
54.	Working Day(s)	Working days of the Securities and Exchange Board of India, Bandra Kurla Complex, Head Office

Note: All capitalized terms used in this DLOO, but not otherwise defined herein, shall have the same meaning as prescribed in the SEBI (SAST) Regulations, 2011.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THIRDWAVE FINANCIAL INTERMEDIARIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE 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 LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 13, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S)

THEREOF. THE FILING OF THE DLOF DOES NOT, HOWEVER, ABSOLVE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

General Disclaimer

This DLOF, the Detailed Public Statement and the Public Announcement in connection with this Offer, has been prepared for the purposes of compliance with the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the publication of the DPS nor the delivery of this Letter of Offer, under any circumstances, create any implication that there has been no change in the affairs of the Target Company, the Acquirer, and any persons deemed to be acting in concert with the Acquirer, since the date hereof or that the information contained herein is correct as at any time subsequent to this date. It is not to be implied that the Acquirer or any persons acting in concert with the Acquirer, are under any obligation to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. This DLOF shall be dispatched to all Public Shareholders whose name appears on the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the DLOO by any Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the DPS and/or the DLOO under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only.

Persons in possession of the DPS and /or the DLOO are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his, her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

3. DETAILS OF THE OFFER

3.1. Background of the Offer

- 3.1.1. This Offer is being made to acquire substantial shares and control over the Target Company in terms of the provisions of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations.
- 3.1.2. The Acquirer has entered into a Share Purchase Agreement ('SPA') dated June 30, 2020 with the promoters of the Target Company naming Mr. Siddhant Agarwal, Patriach Developers Private Limited and Prudent Man & Ind Con Private Limited (**'Sellers'**) for acquisition of 1,007,800 (Ten Lacs Seven Thousand and Eight Hundred) Equity Shares of face value of

INR 10/- (Indian Rupees Ten Only) each constituting 45.65% of the paid-up share capital of the Target Company at a price of INR 17.00/- (Indian Rupees Seventeen Only) each aggregating to INR 17,132,600 (Indian Rupees One Crore Seventy One Lacs Thirty Two Thousand and Six Hundred Only).

3.1.3. The salient features of the SPA are as follows:

- i. SPA dated June 30, 2020 between the Acquirer and Sellers for the acquisition of control and 1,007,800 (Ten Lacs Seven Thousand and Eight Hundred) Equity Shares of face value of INR 10/- (Indian Rupees Ten Only) each constituting 45.65% of the Paid-up Share Capital of the Target Company at a price of INR 17.00/- (Indian Rupees Seventeen Only) each. The total consideration payable to Sellers by Acquirer is INR 17,132,600 (Indian Rupees One Crore Seventy-One Lacs Thirty-Two Thousand and Six Hundred Only).
- ii. The Acquirer is a company incorporated under the provisions of Companies Act, 2006 of England and Wales, United Kingdom. However, the ultimate beneficial individual owner of the Acquirer is a citizen of People's Republic of China. Thus, the transfer of shares and control of the Target Company from Sellers to Acquirer would be regarded as Foreign Direct Investment in India and is subject to approval from Department for Promotion of Industry and Internal Trade, Government of India as per Press Note No. 3 (2020 Series) dated April 17, 2020.
- iii. The Acquirer undertakes to make an application to DPIIT for obtaining the approval in terms of Press Note No. 3 (2020 Series) dated April 17, 2020 to complete the acquisition of shares and control over the Target Company.
- iv. The completion of acquisition under SPA is subject to the approval of DPIIT and if the approval is not received, the Share Purchase Agreement stands rescinded.
- v. The Completion under SPA shall be:
 - o Completion is the date on which the sale of the said Shares takes place, subject to receipt of FDI Approval from DPIIT and in due compliance with the terms of SEBI (SAST) Regulations.
 - o On the date of Completion, i.e. upon receipt of FDI Approval, the Acquirer shall complete the payment of consideration for the Sale Shares. Further, the Acquirer immediately upon completion start the process of taking charge of the management of the Target Company and comply necessary formalities with Stock Exchanges, SEBI, MCA and/or any other regulator and shall not wait for completion of Open Offer process in terms of SEBI (SAST) Regulations.

3.1.4. There is no separate arrangement for the acquisition of control over the Target Company.

3.1.5. As on the date of PA, the Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act, 1992.

- 3.1.6. As on the date of PA, the Acquirer or its director or promoter or ultimate beneficial individual owner are not in the list of wilful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by Reserve Bank of India.
- 3.1.7. As on the date of PA, the Acquirer or any of its promoter or Director or ultimate beneficial individual owner is not fugitive economic offender in terms of section 12 of the Fugitive Economic Offenders Act, 2018.
- 3.1.8. Subsequent to the completion, the Acquirer intends to appoint its representatives on the Board of the Target Company.
- 3.1.9. The recommendations of the committee of Independent Directors as constituted by the Board of Directors of the Target Company for the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the Detailed Public Statement was published and a copy whereof shall be sent to SEBI, BSE and Manager to the Offer and in case of a competing offer/s to the manager/s to the open offer for every competing offer/s.

3.2. Details of the proposed offer

- 3.2.1. In accordance with Regulations 13(1) and 14(3) of SEBI (SAST) Regulations, 2011, the Acquirer made a PA on June 30, 2020 to SEBI, BSE and TC and DPS on July 07, 2020 which was published in the following newspapers:

Publication	Editions
Business Standard (English)	All Editions
Business Standard (Hindi)	All Editions
Global Times (Marathi)	Mumbai Edition
Arthik Lipi (Bengali)	Kolkata Edition

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in; BSE website at www.bseindia.com; and the website of Manager to the Offer www.corporateprofessionals.com;

- 3.2.2. The Acquirer has made this Open Offer in terms of SEBI (SAST) Regulations to the Public Shareholders of TFIL to acquire upto 647,900 (Six Lacs Forty Seven Thousand and Nine Hundred) fully paid up Equity Shares of INR 10/- (Indian Rupees Ten Only) each representing 29.35% of the Paid-up Share Capital of the Target Company at a price of INR 17.00/- (Indian Rupees Seventeen Only) per fully paid up equity share ('Offer Price'), payable in cash subject to the terms and conditions set out in the PA, DPS and this draft Letter of Offer.
- 3.2.3. Presently, there are no outstanding partly paid up shares in the Target Company.
- 3.2.4. There is no differential pricing in the Offer.
- 3.2.5. This is not a Competitive Bid in terms of the provisions of Regulation 20 of the SEBI (SAST) Regulations.
- 3.2.6. This Offer is not a conditional offer and is not subject to any minimum level of acceptance from the Public Shareholders. Acquirer will accept the Equity Shares of TFIL those are

tendered in valid form except the Equity Shares tendered in physical form in terms of this offer upto a maximum of 647,900 (Six Lacs Forty-Seven Thousand and Nine Hundred) Equity Shares at a price of INR 17.00/- (Indian Rupees Seventeen Only) being 29.35% of Paid-up Share Capital of the Target Company.

- 3.2.7. Acquirer has not acquired any shares of Target Company after the date of PA i.e. June 30, 2020 and upto the date of this draft Letter of Offer.
- 3.2.8. The Equity Shares of the Target Company will be acquired by Acquirer free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.9. As on the date of draft Letter of Offer, Acquirer does not hold any shares of the Target Company.
- 3.2.10. Upon completion of the Offer, assuming full acceptances in the Offer, Acquirer will hold 1,655,700 (Sixteen Lacs Fifty Five Thousand and Seven Hundred) Equity Shares representing 75% of the Paid-up Share Capital of the Target Company as on the tenth working day after the closure of the Tendering Period.
- 3.2.11. As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI (LODR) Regulations, 2015') read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the 'SCRR'), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to this Open Offer, the public shareholding in the Target Company will not reduce below the Minimum Public Shareholding required as per the SCRR as amended and the SEBI (LODR) Regulations, 2015.
- 3.2.12. The Manager to the Offer, Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as on the date of DPS and this Draft LoF. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.

3.3. Object of the Acquisition/ Offer

- 3.3.1. The main object of this offer is acquisition of substantial shares and control over the Target Company.
- 3.3.2. The Acquirer intends to make investment in Indian Economy, contribute to the Indian import, and export trade with European and Asian countries. Acquirer's intention is to keep the original object of the Target Company unchanged for the short term and then to increase the related business scope, such as food, health care products and flavoured water and drinks, etc. and are subject to applicable laws. The Acquirer Company wishes to expand the scale of business for Target Company, provide international expert technicians abroad to recruit and empower domestic technicians to participate in the research & development of core products,

increase employment and improve the quality of life of employees. It also intends to build an e-commerce platform exclusively for wide range of flavoured drinks rich in mineral elements and corn flour semi-finished products and corn-to-be processed foods.

3.3.3. This Open Offer is for acquisition of 29.35% of the Paid-up Share Capital of the Target Company. After the completion of this Open Offer and pursuant to acquisition of Equity Shares through Share Purchase Agreement and assuming full acceptance, the Acquirer will become the single largest Equity Shareholder with clear majority, by virtue of which it shall be in a position to exercise effective control over the management and affairs of Target Company.

4. BACKGROUND OF ACQUIRER – ZHONGMIN GUOEN INDUSTRIAL GROUP (UK) LIMITED

- 4.1.** Acquirer is private limited company incorporated under the provisions of Companies Act, 2006 of England and Wales, United Kingdom having Company number 11058620, incorporated on November 10, 2017 with the name and style of Zhongminpujian International Trade (Beijing) Limited. The name of the Acquirer was changed from Zhongminpujian International Trade (Beijing) Limited to Zhongmin Guoen Industrial Group (UK) Limited on August 26, 2019. The registered office of the Acquirer is situated at Fifth Floor, 3 Gower Street, London, United Kingdom, WC1E 6HA.
- 4.2.** Acquirer was formed with an object to carry the business of manufacturing and selling of healthy flavor drinks via the Hi-Tech process of 'HAI ZHI KUO' which contains trace elements like copper, iodine, manganese, molybdenum and zinc and to manufacture and sell corn flour semi-finished products and corn-to-be-processed foods like corn-flakes, oil flour, baby corn, etc. to be sold via in-house E-commerce platform. However, the Acquirer did not carry any business activity till the end of financial year 2019-20 and was categorized as Dormant Company under the provisions of Companies Act, 2006 of England and Wales, United Kingdom. Recently, it has started the business activity.
- 4.3.** The present issued and paid-up share capital of the Acquirer is GBP 5,000,000 (Great Britain Pound Fifty Lacs Only) divided into 5,000,000 (Fifty Lacs) Ordinary Shares of GBP 1 (Great Britain Pound One Only) each.
- 4.4.** Acquirer is the wholly owned subsidiary of Zhongmin Guoen Industrial Group Co. Limited ('Holding Company'), a company incorporated and registered under the provisions of Company Law of People's Republic of China. Mr. Yin Di holds 100% shares of the Holding Company and is the ultimate beneficial owner or person in control of Acquirer. The Holding Company is in the business of manufacturing and selling healthy flavored drinks.
- 4.5.** The present principal shareholder of the Acquirer is:

S. No.	Shareholder's Category	Number of ordinary shares	%
1.	Promoters	5,000,000	100.00
2.	FII/ Mutual-Funds/FIs/Banks	0	0.00

3.	Public	0	0.00
Total Paid Up Capital		5,000,000	100.00

- 4.6. The financial information of the Acquirer based on the audited financial statements for the financial year ended November 30, 2017, November 30, 2018, November 30, 2019 and 4 months to March 31, 2020:

Profit & Loss Statement	Year ended November 30, 2017 (Exempt Audited)		Year ended November 30, 2018 (Exempt Audited)		Year ended November 30, 2019 (Exempt Audited)		4 months to March 31, 2020 (Exempt Audited)	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Income from Operations	Dormant Company until March 2020						288,382	26,848,653
Other Income							0	0
Increase/ (Decrease) in Stock							0	0
Total Income							288,382	26,848,653
Total Expenditure (Excluding Depreciation and Interest)							0	0
Profit Before Depreciation, Interest and Tax							0	0
Depreciation							0	0
Interest							0	0
Profit/ (Loss) Before Tax							288,382	26,848,653
Provision for Tax							(19,225)	(1,789,874)
Profit/ (Loss) After Tax							269,157	25,058,778

Balance Sheet Statement	Year ended November 30, 2017 (Exempt Audited)		Year ended November 30, 2018 (Exempt Audited)		Year ended November 30, 2019 (Exempt Audited)		4 months to March 31, 2020 (Exempt Audited)	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Sources of funds	5,000,000	465,506,900	5,000,000	465,506,900	5,000,000	465,506,900	5,000,000	465,506,900
Paid up share capital	0	0	0	0	0	0	0	0
Reserves and Surplus (Excl. Revaluation Reserve)	0	0	0	0	0	0	269,157	25,058,778
Secured loans	0	0	0	0	0	0	0	0

Unsecured loans	0	0	0	0	0	0	0	0
Deferred Tax Liability (Net)	0	0	0	0	0	0	0	0
Total	5,000,000	465,506,900	5,000,000	465,506,900	5,000,000	465,506,900	5,269,157	490,565,788
Uses of funds	0	0	0	0	0	0	0	0
Net fixed assets	0	0	0	0	0	0	0	0
Investments	0	0	0	0	0	0	0	0
Net Current Assets	5,000,000	465,506,900	5,000,000	465,506,900	5,000,000	465,506,900	5,269,157	490,565,788
Total miscellaneous expenditure not written off	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0
Total	5,000,000	465,506,900	5,000,000	465,506,900	5,000,000	465,506,900	5,269,157	490,565,788

Other Financial Data	Year ended November 30, 2017 (Exempt Audited)		Year ended November 30, 2018 (Exempt Audited)		Year ended November 30, 2019 (Exempt Audited)		4 months to March 31, 2020 (Exempt Audited)	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Dividend (%)	0	0	0	0	0	0	0	0
Earnings Per Share	0	0	0	0	0	0	0.054	0.054
Net worth	0	0	0	0	0	0	269,157	25,058,778
Return on Networth (%)	0	0	0	0	0	0	5.1%	5.1%
Book Value Per Equity Share	1	1	1	1	1	1	1	1

Source - As certified by Mr. Yunyang Yang, Chartered Accountant Ean Accounting & Tax having office at London, United Kingdom; Tel. 0044 7340 457675; Email ID: eanlondon@gmail.com vide certificate dated June 30, 2020.

Note:

1. The financial figures of the Acquirer are presented in GBP, the Chartered Accountant have adapted a translation (convenience translation) of such financials into Indian Rupees. The GBP to Indian Rupee conversion has been assumed at the rate of 1 GBP = INR 93.10138 as on June 29, 2020 i.e. the date preceding the date of Public Announcement i.e. June 30, 2020 in terms of the provisions of Regulation 8(15) of the SEBI (SAST) Regulations. (Source: www.xe.com).
2. Figures have been rounded off, as necessary.

- 4.7. As on the date of this DLOO, the Acquirer does not hold any shares in the Target Company.
- 4.8. The shares of the Acquirer are not listed on any stock exchange in India or overseas.
- 4.9. The details of the Board of Directors of Acquirer are as follows:

Name of the Director	Designation (Executive, Non-Executive, Independent, etc.)	DIN/ Passport No.	Qualification and Experience in years and field of experience	Date of Appointment	Whether on the Board of Target Company? (Yes/No)
Mr. Di Yin	Executive Director	E07124623	He has completed Bachelors of Journalism from Communications University of China and holds more than 13 years of experience in the field of Business Development	August 26, 2019	No

- 4.10. None of the Directors of the Acquirer represent on the Board of Directors of the Target Company.
- 4.11. As on the date of PA, the Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ('SEBI Act') as amended or under any other regulation made under the SEBI Act.
- 4.12. As on the date of PA, Acquirer or its director or promoter or ultimate beneficial individual owner is not in the list of wilful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by Reserve Bank of India.
- 4.13. As on the date of PA, the Acquirer or any of its promoter or Directors or ultimate beneficial individual owner are not fugitive economic offender in terms of section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.14. There are no major contingent liabilities in the Acquirer.

5. BACKGROUND OF THE TARGET COMPANY – THIRDWAVE FINANCIAL INTERMEDIARIES LIMITED ('TARGET COMPANY' or 'TC' or 'TFIL')

- 5.1. The Target Company having CIN L15100WB1989PLC046886, was incorporated as a private limited company on May 16, 1989 under the provisions of Companies Act, 1956 with the name and style of 'Thirdwave Consultants (P) Limited'. The name of the Target Company was changed

from 'Thirdwave Consultants (P) Limited' to 'Thirdwave Financial Intermediaries (P) Limited' on April 21, 1995. Thereafter, the Target Company came out with an Initial Public Offer in year 1996 and the status of the Target Company was changed from Private Limited Company to Public Listed Company and the name of the Company was changed from 'Thirdwave Financial Intermediaries (P) Limited' to 'Thirdwave Financial Intermediaries Limited' on May 25, 1995. The Registrar of Companies, Kolkata on May 16, 1989, issued the Certificate for Commencement of Business to the Target Company. The Company commenced its operation as a computing consultancy services in the year 1989 and were registered with Securities and Exchange Board of India ('SEBI') as a Category I Share Registrar in the year 1992. Further, in 1996 the Company surrendered its Share Registrar Certificate and got registered with Reserve Bank of India ('RBI') as a Non-Banking Financial Company ('NBFC'), and continued its operation as an NBFC until 2018. Subsequently, in year 2018, RBI cancelled the Certificate of Registration for NBFC due to non-attainment of the Net Owned Funds requirement of INR 200 Lacs by the Target Company. Thereafter, the Target Company wound up its NBFC business and changed its object to processing and trading of food and beverages and it has started its business with trading of pulses.

- 5.2. The registered office of the Target Company is situated at Unit-601, Ambuja Neotia Ecocentre, EM-4, EM Block, Sector V Kolkata West Bengal – 700091, India.
- 5.3. The Authorized Share Capital of the Target Company is INR 60,000,000 (Indian Rupees Six Crores Only) representing 6,000,000 (Sixty Lacs) Equity Shares of INR 10/- (Indian Rupees Ten Only) each. The Paid-up Share Capital of the Target Company is INR 22,076,000 (Indian Rupees Two Crores Twenty Lacs and Seventy-Six Thousand Only) representing 2,207,600 (Twenty-Two Lacs Seven Thousand and Six Hundred) Equity Shares of INR 10/- (Indian Rupees Ten Only) each.
- 5.4. Share capital structure of the Target Company as on the date of draft LoF is as follows-

Paid up Equity Shares of Target Company	No. of Shares/voting rights	% of voting rights
Fully paid up equity shares	2,207,600 Equity Shares of INR 10 each	100.00
Partly paid up equity shares	Nil	Nil
Total paid up equity shares	2,207,600 Equity Shares of INR 10 each	100.00
Total voting rights in TC	2,207,600 Equity Shares of INR 10 each	100.00

- 5.5. The equity shares of the Target Company are not currently suspended for trading on any Stock Exchange.
- 5.6. All the equity shares of Target Company are listed and traded on BSE but are infrequently traded within the meaning of definition of 'frequently traded shares' under clause (j) of Sub-Regulation (1) of Regulation (2) of the SEBI (SAST) Regulations as on the date of PA. The Equity Shares of

the Target Company have been delisted from The Calcutta Stock Exchange Limited w.e.f. February 07, 2020 under Voluntary Delisting Scheme.

- 5.7. Presently, there are currently no outstanding partly paid up shares in the Target Company.
- 5.8. There are no outstanding convertible securities, depository receipts, warrants or instruments issued by the Target Company which are convertible into Equity Shares.
- 5.9. As on the date of this draft LoF, the composition of the Board of Directors of TFIL is as under:

S. No.	Name and Address of Director	Designation	Date of Appointment	Whether representing the Board of Acquirer? (Yes/No)
1.	Mr. Vinay Kumar Agarwal DIN: 00149999 Address: UD-01 1104, Uditā, 1050/1 Survey Park, Ajay Nagar Kolkata – 700075, West Bengal, India	Managing Director	October 05, 2015	No
2.	Mr. Sujit Sarkar DIN: 02399669 Address: Subhash Nagar, Talpukur Road, Sarsuna Kolkata – 700061, West Bengal, India	Independent Director	November 30, 2015	No
3.	Mr. Sandeep Kedia DIN: 03604354 Address: 49, Vivekanand Road, 25 Girish Park Kolkata – 700007, West Bengal, India	Independent Director	August 30, 2019	No
4.	Ms. Suman Agarwal DIN: 07869141 Address: UD-01-1104, Uditā, 1050/1 Survey Park, Ajay Nagar, Kolkata – 700075, West Bengal, India	Director	September 29, 2014	No

- 5.10. There has been no merger/de-merger, spin off during last three years involving the Target Company.

5.11. The financial information of Target Company based on the audited standalone financial statements for the financial year ended March 31, 2018, March 31, 2019 and March 31, 2020 are as follows:

(INR in Lacs)

Profit & Loss Statement	Year Ended March 31, 2018 (Audited)	Year Ended March 31, 2019 (Audited)	Year Ended March 31, 2020 (Audited)
Income from Operations	209.26	70.65	487.53
Other Income	11.16	11.81	11.83
Increase/ (Decrease) in Stock	163.03	(11.13)	(152.45)
Total Income	383.45	71.33	346.91
Total Expenditure (Excluding Depreciation and Interest)	350.99	72.14	275.79
Profit Before Depreciation, Interest and Tax	32.46	(0.81)	71.12
Depreciation	0.00	0.00	0.00
Interest	12.21	7.36	1.74
Profit/ (Loss) Before Tax	20.25	(8.17)	69.38
Provision for Tax	4.00	0.00	11.56
Profit/ (Loss) After Tax	16.25	(8.17)	57.82
Balance Sheet Statement	Year Ended March 31, 2018 (Audited)	Year Ended March 31, 2019 (Audited)	Year Ended March 31, 2020 (Audited)
Sources of funds			
Paid up Share Capital (includes INR 61.71 in Share Forfeiture Account)	283.47	283.47	283.47
Reserves and Surplus (Excl. Revaluation Reserve)	(186.95)	(194.60)	(136.78)
Secured loans	0.00	0.00	0.00
Unsecured loans	87.00	75.00	0.00
Deferred Tax Liability (Net)	0.00	0.00	0.00
Total	183.52	163.87	146.69
Uses of funds			
Net fixed assets	0.00	0.00	0.00
Investments	0.00	0.00	0.00

Net Current Assets	183.52	163.87	146.69
Total miscellaneous expenditure not written off	0.00	0.00	0.00
Others	183.52	163.87	146.69
Total	0.00	0.00	0.00
Other Financial Data	Year Ended March 31, 2018 (Audited)	Year Ended March 31, 2019 (Audited)	Year Ended March 31, 2020 (Audited)
Dividend (%)	NIL	NIL	NIL
Earnings Per Share (INR)	0.74	(0.37)	2.62
Networth (INR In Lacs)	96.52	88.87	146.69
Return on Networth (%)	16.83%	(9.19%)	39.42%
Book Value Per Equity Share (INR)	4.37	4.03	6.64

Source: As certified by Ms. Nancy Murarka, (Memembership No.: 067953) Partner of J Gupta & Co. LLP having office at YMCA Building, Mezzanine Floor, 25, Jawaharlal Nehru Road, Kolkata – 700087; Tel. No.: (033) 46006636; Email ID: ecotech@cal2.vsnl.net.in / jgupta.co.ca@gmail.com, vide certificate dated June 02, 2020.

5.12. Pre and Post- Offer shareholding pattern of the Target Company as on the date of draft LoF is as follows:

Sr. No.	Shareholder Category	Shareholding & voting rights prior to the Agreement/ acquisition and Offer (A)		Shares/voting rights agreed to be acquired which triggered off the Regulations (B)		Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance) (C)		Shareholding/ voting rights after the acquisition and Offer i.e. (A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1.	Promoter Group								
	a. Parties to agreement, if any								
	Mr. Siddhant Agarwal	148,910	6.75	(148,910)	(6.75)	Nil	NA	Nil	NA
	Patriach Developers Private Limited	701,890	31.79	(701,890)	(31.79)	Nil	NA	Nil	NA

	Prudent Man & Ind Con Private Limited	157,000	7.11	(157,000)	(7.11)	Nil	NA	Nil	NA
	b. Promoters other than (a) above								
	NA	Nil	NA	Nil	NA	Nil	NA	Nil	NA
	Total 1 (a+b)	1,007,800	45.65	(1,007,800)	(45.65)	Nil	NA	Nil	NA
2.	Acquirer								
	Zhongmin Guoen Industrial Group (UK) Limited	Nil	NA	1,007,800	45.65	647,900	29.35	1,655,700	75.00
	Total 2	Nil	NA	1,007,800	45.65	647,900	29.35	1,655,700	75.00
3.	Parties to the agreement other than 1(a) & 2	Nil	NA	Nil	NA	Nil	NA	Nil	NA
4.	Public								
a.	FIs / MFs / FIIIs / Banks, SFIs	136,200	6.17	Nil	NA	(647,900)	(29.35)	551,900*	25.00*
b.	Others	1,063,600	48.18	Nil	NA				
	Total (4)(a+b)	1,199,800	54.35	Nil	NA	(647,900)	(29.35)	551,900	25.00
	Total (1+2+3+4)	2,207,600	100.00	Nil	NA	Nil	NA	2,207,600	100.00

(*) It cannot be foreseen that whether FIs/ MFs/ FIIIs/ Banks/ SFIs would tender in offer or other Public Shareholder, hence combined the column and mentioned aggregate number of shares which would be left in Public Shareholding category, if 100% of the Offer size would be tendered and accepted.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1. The Offer is made pursuant to entering into Share Purchase Agreement by the Acquirer with Sellers. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

6.1.2. The Equity Shares of the Target Company are listed and traded on BSE. The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA (June 2019 to May 2020) is as given below:

Stock Exchange	Time Period	Total No. of equity shares traded during the twelve calendar months prior to the month of PA date	Total No. Of Equity Shares	Annualised Trading Turnover (as % of Total Equity Shares)
BSE	June 2019 to May 2020	783	2,207,600	0.04
Total			2,207,600	0.04

(Source: www.bseindia.com)

6.1.3. The equity shares of the Target Company are listed and traded on BSE and are infrequently traded within the meaning of definition of 'frequently traded shares' under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).

6.1.4. The Offer Price of INR 17.00/- (Indian Rupees Seventeen Only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

S. No.	Particulars	Price
(a)	The highest negotiated price per share of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	INR 17.00/-
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirer along with PAC during 52 weeks immediately preceding the date of PA	Not Applicable
(c)	The highest price paid or payable for any acquisition by the Acquirer along with PAC during 26 weeks immediately preceding the date of the PA	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	Not Applicable The equity shares of the Target Company are infrequently traded
(e)	In case the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer considering valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	INR 6.64/-

Other Parameters	Based on the audited financial data for the year ended at March 31, 2020
Book Value per share	INR 6.64
Comparable Trading Multiples Value and Other Valuation Parameters	Not Applicable

Source: As certified by CA Ravi Bhushan Goel, Partner of JMG & Associates, Chartered Accountants having office at A-6, LGF, Defence Colony, New Delhi – 110024; Tel. No.: +91-11-41553284, +91-9811080264; Fax No.: Not Available; Email ID: ravigoelca@yahoo.com vide certificate dated June 30, 2020.

- 6.1.5. In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of INR 17.00/- (Indian Rupees Seventeen Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.
- 6.1.6. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.7. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, it shall not be acquiring any equity shares of the Target Company after one working day prior to the commencement of the tendering period and until the expiry of the tendering period.
- 6.1.8. 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 Public shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, 2011 or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.
- 6.1.9. As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.
- 6.1.10. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working day before the date of commencement of the tendering period and would be notified to the Public shareholders.

6.2. Financial Arrangement

- 6.2.1. The total fund requirement for the Offer (assuming full acceptances) i.e. for the acquisition upto 647,900 (Six Lacs Forty-Seven Thousand and Nine Hundred) Equity Shares from the Public shareholders of the Target Company at an Offer Price of INR 17.00/- (Indian Rupees Seventeen Only) per fully paid up equity share is INR 11,014,300 (Indian Rupees One Crore Ten Lacs Fourteen Thousand and Three Hundred Only) (the '**Maximum Consideration**').
- 6.2.2. Acquirer has adequate resources and made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011. The additional fund requirement, if any, for acquisition in terms of the SPA and this Open Offer will be financed through the internal resources of the Acquirer.
- 6.2.3. Acquirer, the Manager to the Offer and YES Bank Limited, a company incorporated under the Companies Act, 1956, and carrying on business as a banking company under Banking Regulations Act, 1949 having one of its branch offices at D-12, South Extension Part – II, New Delhi – 110049, have entered into an Escrow Agreement dated June 30, 2020 for the purpose of the Offer (the '**Offer Escrow Agreement**') in accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011. In terms of the Escrow Agreement dated June 30, 2020 for the purpose of the Offer (the '**Offer Escrow Agreement**') and in accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011 the Acquirer has deposited cash of INR 11,024,685.05 (Indian Rupees One Crore Ten Lacs Twenty Four Thousand Six Hundred and Eighty Five and five paisa) ('**Security Deposit**') being more than 100% of the Maximum Consideration in an Escrow Account bearing name and style as '**CPCPL-TFIL-OPEN OFFER ESCROW ACCOUNT**', (the '**Escrow Account**') opened with YES Bank Limited. In terms of the provisions of Regulation 17(1) of SEBI (SAST) Regulations, Acquirer has an obligation to deposit funds in the Escrow Account not later than 2 (two) working days prior to the publication of Detailed Public Statement and in due compliance of the said provision, Acquirer had remitted USD 148,000 (United States Dollar One Lac Forty-Eight Thousand Only) on July 03, 2020 vide reference number P19CNB9943A00025 through swift code ST10002007030094. However, due to banking process the funds were credited in the Nosrow account only on July 06, 2020 and thereafter INR 11,024,685.05 (Indian Rupees One Crore Ten Lacs Twenty-Four Thousand Six Hundred and Eighty-Five and Five paisa) converted at the rate of 1 USD into 74.50 INR and the same amount being more than 100% were credited in Escrow account on July 07, 2020. The credit confirmation from Escrow Bank was received on July 07, 2020.
- 6.2.4. The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5. In case of any upward revision in the Offer Price or the Offer Size, the value in cash of the escrow account 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 in the Escrow Account, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.

- 6.2.6. Mr. Yunyang Yang, Chartered Accountant Ean Accounting & Tax having office at London, United Kingdom; Tel. 0044 7340 457675; Email ID: eanlondon@gmail.com vide its certificate dated June 30, 2020 has certified that the Acquirer have sufficient resources to meet the fund requirement for the obligation of open offer of the Target Company.
- 6.2.7. Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by Acquirer to fulfill its obligations through verifiable means in relation to the Offer in accordance with the Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. Operational terms and conditions

- 7.1.1. The Offer is not subject to any minimum level of acceptances from Public shareholders.
- 7.1.2. LoF will be dispatched to all the Public shareholders of TFIL, whose names appear in its Register of Members on November 24, 2020, the Identified Date.
- 7.1.3. The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4. The LoF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and Public shareholders can also apply by downloading such forms from the website.
- 7.1.5. This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4 of this draft LOF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6. While it would be ensured that the Letter of Offer is dispatched by the due date to all the eligible Public shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7. The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.8. Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.

7.2. Locked in shares: There are no locked-in shares in the company.

7.3. Persons eligible to participate in the Offer:

Registered shareholders of TFIL and unregistered shareholders who own the Equity Shares of TFIL any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, except the Acquirer, person acting in concert with Acquirer, the parties to

the underlying agreement and persons deemed to be acting in concert thereof, for the sale of shares of the Target Company. As per amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transferability of physical shares has been disallowed and hence Acquirer would not be able to accept shares in physical form.

7.4. Statutory and other Approvals:

- 7.4.1. Public Shareholder of the Target Company who are either Non-Resident Indians ('NRIs') or Overseas Corporate Bodies ('OCBs') and wish to tender their Equity Shares in this Open Offer shall be required to submit all the applicable approvals (specific and general) from the Reserve Bank of India ('RBI') that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such approvals from the RBI are not submitted, the Acquirer reserve the sole right to reject the Equity Shares tendered by such Public shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.
- 7.4.2. The Acquirer is a company incorporated under the provisions of Companies Act, 2006 of England and Wales, United Kingdom, however, the ultimate beneficial owner or person in control of the Acquirer is a citizen of People's Republic of China. Thus, in terms of the Press Note No. 3 (2020 Series) dated April 17, 2020, the transfer of shares and control of the Target Company from Sellers to Acquirer would be regarded as Foreign Direct Investment ('FDI') in India and require prior approval from Department for Promotion of Industry and Internal Trade ('DPIIT'), Government of India. The Acquirer has entered into a Share Purchase Agreement with the Sellers to acquire 45.65% shares and control over the Target Company and has made an open offer of upto 29.35% shares of the Target Company from the Public shareholders of the Target Company, aggregating to 75% shares and control over the Target Company, therefore, the Acquirer will file an application to DPIIT for the said acquisition of 75% shares and control over the Target Company in terms of Press Note No. 3 (2020 Series) dated April 17, 2020. The SPA transaction as well as this Open Offer shall be completed only on receipt of approval from DPIIT. In case of non-receipt of approval from DPIIT, the SPA transaction shall stand rescinded and the Open Offer would be withdrawn in terms of the provisions of Regulation 23(1)(a) of SEBI (SAST) Regulations.
- 7.4.3. As of the date of this DLOO, apart from approval required from DPIIT in terms of the Press Note No. 3 (2020 Series) dated April 17, 2020, no statutory or other approvals are required to complete the acquisition of underlying agreement as on the date of this DPS, except as set out below. If, however, any statutory or other approval becomes applicable prior to completion of such acquisitions, the Offer would also be subject to such other statutory or other approval(s) being obtained. Acquirer will not proceed with the Offer in the event such statutory approvals that are required if refused, in terms of Regulation 23(1)(a) of SEBI (SAST) Regulations. This Offer is subject to all other statutory approvals that may become applicable at the later (which are not applicable on the date of DPS) before the completion of the Open Offer.
- 7.4.4. No approval from any bank or financial institutions is required for the purpose of this Offer.

- 7.4.5. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- 7.4.6. In terms of the provisions of Regulation 18(11A) of SEBI (SAST) Regulations, if the Acquirer would not be able to make payment to Public shareholders on account of reasons other than delay in receipt of any statutory approval, the acquirer shall pay interest for the period of delay to all such Public shareholders whose shares have been accepted in the open offer, at the rate of 10% per annum, however, if the situation warrants, waiver may be granted by SEBI for payment of interest on the Offer Price.
- 7.4.7. Acquirer shall complete all procedures relating to the Open Offer including payment of consideration to the Public shareholders whose shares are accepted in the open offer within 10 working days from the last date of the tendering period.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window (**'Acquisition Window'**) as provided under the SEBI (SAST) Regulations, 2011 and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular dated December 09, 2016.
- 8.2. BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Open Offer.
- 8.3. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window (**'Acquisition Window'**).
- 8.4. Acquirer has appointed **ALANKIT ASSIGNMENTS LIMITED ('Buying Broker')** for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period. The Contact details of the Buying Broker are as mentioned below:
- Name:** Alankit Assignments Limited
CIN: U74210DL1991PLC042569
SEBI Registration Number: INZ000193033
Address: Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110055, India
Contact Person: Mr. M. C. Agarwal
Tel. No.: +91-9899888269
Fax. No.: Not Available
Email ID: mcag@alankit.com
- 8.5. 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. Such Equity Shares would be transferred to the respective Selling Broker's pool account prior to placing the bid.

- 8.6. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares. A separate Acquisition Window will be provided by the stock exchange to facilitate placing of sell orders. The Selling Broker can enter orders for dematerialized Equity Shares only. As per amendment in SEBI (LODR) Regulations, 2015, the transferability of physical shares has been disallowed and hence, the Acquirer would not be able to accept shares in physical form. In case any physical shareholder desire to tender his/it shares in this offer, he/it should get the shares converted into demat form before tendering.
- 8.7. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
- 8.8. Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
- 8.9. Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).
- 8.10. Shareholders should not submit/tender their equity shares to Manager to the Open offer, the Acquirer or the Target Company
- 8.11. **Procedure for tendering Equity Shares held in dematerialised Form:**
 - a) Equity Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer.
 - b) The Selling Broker would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the BSE. Before placing the order/bid, the Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
 - c) Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. Of Equity Shares tendered, etc.
 - d) Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
 - e) 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 time provided by the Stock Exchange on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
 - f) The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.

- g) The Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Open Offer.
- h) The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

The shareholders holding Equity Shares in Demat mode are not required to fill any Form of Acceptance-cum Acknowledgement. The shareholders are advised to retain the acknowledgement copy of the DIS and the TRS till the completion of the Offer Period.

8.12. Procedure to be followed by registered Shareholders holding Equity Shares in the physical form:

- a) **As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations, 2015 and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository with effect from April 01, 2019. Thus, the Shareholders who are holding Equity Shares in physical form and are desirous of tendering their equity shares in the Offer can do so only after the Equity Shares are dematerialised. Such Shareholders are advised to approach any depository participant to have their Equity Shares dematerialised.**
- b) In case any person has submitted physical shares for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

8.13. Acceptance of Shares

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

8.14. Procedure for tendering the shares in case of non-receipt of Letter of Offer:

- a) Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired the Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

- b) A Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Acceptance Form.
- c) The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- d) The Letter of Offer would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.

8.15. Settlement Process

- a) On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- b) While it would be ensured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- c) For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction are rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- d) In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.
- e) The Equity Shareholders will have to ensure that they keep the depository participant ('DP') account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the shares under the Offer.
- f) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity Shareholders would be returned to them by the Clearing Corporation. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Open Offer. If Equity Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.

- g) Shareholders who intend to participate in the Open 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 Open Offer (secondary market transaction). The Open Offer consideration received by the Equity Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Equity Shareholders.
- h) Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirer.
- i) Any physical shares, to the extent tendered will be returned by registered post back to the Shareholder(s) directly by Registrar to the Offer.

8.16. Settlement of Funds / Payment Consideration

The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction are rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Shareholder / Selling Broker / Custodian participant will receive funds payout in their settlement bank account. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder / Selling Broker (s) as per secondary market pay out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, 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 consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011. In terms of the provisions of Regulation 18(11A) of SEBI (SAST) Regulations, if the Acquirer would not be able to make payment to shareholders on account of reasons other than delay in receipt of any statutory approval, the acquirer shall pay interest for the period of delay to all such

shareholders whose shares have been accepted in the open offer, at the rate of 10% per annum, however, if the situation warrants, waiver may be granted by SEBI for payment of interest on the Offer Price.

8.17. Note on taxation

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "Situs" of such shares. "Situs" of the shares is generally where a company is "incorporated". Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act, 1961 ("IT Act"). Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates. Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year. The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.

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

- i. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, yet to be notified, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable). Under this provision the capital gains tax would be calculated on gains exceeding INR 100,000 (Indian Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any capital gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on

transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

- ii. As per section 111A of the Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Public Shareholders (except certain specific categories).
- iii. Any applicable surcharge and education cess would be in addition to above applicable rates.
- iv. In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. However, in case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealers/ tax advisors appropriately.

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

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

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER AND PACs AND THE MANAGER TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at D-28, South Extn. Part – I, New Delhi – 110049 from 10.30 A.M.

to 1.00 P.M. on any working day, except Saturdays, Sundays and Holidays until the Closure of the Offer:

- 9.1. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
- 9.2. The Financial certificate as certified by Mr. Yunyang Yang, Chartered Accountant Ean Accounting & Tax vide certificate dated June 30, 2020 certifying that the Acquirer have sufficient resources to meet the fund requirement for the Takeover of Target Company.
- 9.3. Audited Annual Reports of TFIL for last three years.
- 9.4. Annual Report of Acquirer.
- 9.5. Escrow Agreement between Acquirer, YES Bank Limited and Manager to the Offer.
- 9.6. Confirmation from YES Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulations.
- 9.7. Copy of Public Announcement filed on June 30, 2020, published copy of the Detailed Public Statement which appeared in the Newspapers on July 07, 2020, Issue Opening PA and any corrigendum to these, if any,
- 9.8. A copy of the Recommendation made by the Board of TFIL.
- 9.9. A copy of the Observation letter from SEBI.
- 9.10. Consent letter of Registrar to the Offer.
- 9.11. Copy of Share Purchase Agreement dated June 30, 2020 entered into between the Acquirer and Sellers.

10. DECLARATION BY ACQUIRER

The Acquirer accepts full responsibility for the information contained in this draft LOF and also for the obligations of Acquirer as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereof. Acquirer would be responsible for ensuring compliance with the concerned Regulations.

For and on behalf of

Zhongmin Guoen Industrial Group (UK) Limited

Sd/-

Yin Di

Director

Date: July 14, 2020

Place: New Delhi

11. ENCLOSURES

- 11.1. Form of Acceptance cum Acknowledgement

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto
in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION (Please send this Form of Acceptance with enclosures to the Registrar to the Offer)		
OFFER OPENS ON	:	August 20, 2020, Thursday
OFFER CLOSSES ON	:	September 02, 2020, Wednesday
Please read the Instructions overleaf before filling-in this Form of Acceptance		

FOR OFFICE USE ONLY	
Acceptance Number	
Number of equity shares Offered	
Number of equity shares accepted	
Purchase consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

From:		
Tel. No.:	Fax No.:	E-mail:

To,

Acquirer

C/O Niche Technologies Private Limited

3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata - 700017

Dear Sir/s,

REG.: OPEN OFFER TO THE SHAREHOLDERS OF THIRDWAVE FINANCIAL INTERMEDIARIES LIMITED ('TFIL'/ 'TARGET COMPANY') BY ZHONGMIN GUOEN INDUSTRIAL GROUP (UK) LIMITED ('ACQUIRER') PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

I / we, refer to the Letter of Offer dated _____ for acquiring the equity shares held by me / us in **THIRDWAVE FINANCIAL INTERMEDIARIES LIMITED**.

I / we, the undersigned have read the PA, the DPS and the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

I / We, acknowledge and confirm that all the particulars / statements given herein are true and correct.

Name	Holder	Name of the Shareholder(s)	Permanent Account Number (PAN)
(Please write names of the joint holders in the same order as appearing in the demat account)	Sole/first		
	Second		
	Third		
Contact Number(s) of the First Holder	Tel No. (with STD Code): Fax No. (with STD Code):		Mobile No.:
Full Address of the First Holder (with pin code)			
Email address of First Holder			
Date of Incorporation (if applicable)			

For all Eligible Shareholders

1. I / We confirm that the Equity Shares of TFIL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever and will be transferred together with the rights attached thereto.
2. I / We authorize Acquirer to accept the Equity Shares so offered or such lesser number of equity shares that Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer.
3. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of Acquirer acquiring these equity shares.
4. I / We agree that Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
5. I/We note and understand that the Shares would held in trust by the Registrar until the time Acquirer make payment of purchase consideration as mentioned in the Letter of Offer.
6. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

7. I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act.
8. I / We am / are not debarred from dealing in shares or securities.
9. I / We irrevocably authorise Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with TFIL:

So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/ECS mode and requested to kindly provide following information compulsorily in order to received payment through RTGS/ECS

Bank Account No.: ----- Type of Account: -----
(Savings /Current /Other (please specify))
 Name of the Bank: -----
 Name of the Branch and Address: -----

MICR Code of Bank-----
 IFCS Code of Bank-----

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

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

Yours faithfully,

Signed and Delivered:

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

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the Company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

- 1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
- 2 The Form of Acceptance should be filled-up in English only.
- 3 Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.
- 4 **Mode of tendering the Equity Shares Pursuant to the Offer:**
 - I. The acceptance of the Offer made by Acquirer is entirely at the discretion of the equity shareholder of TFIL.
 - II. Shareholders of TFIL to whom this Offer is being made, are free to Offer his / her / their shareholding in TFIL for sale to Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

ACKNOWLEDGEMENT SLIP

OPEN OFFER TO THE SHAREHOLDERS OF THIRDWAVE FINANCIAL INTERMEDIARIES LIMITED ('TFI'/ 'TARGET COMPANY') BY ZHONGMIN GUOEN INDUSTRIAL GROUP (UK) LIMITED ('ACQUIRER) PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Received from Mr. / Ms.....

Form of Acceptance-cum-Acknowledgement for Thirdwave Financial Intermediaries Limited-Open Offer as per details below:

Copy of delivery instruction to depository participant of Client ID _____ for _____ Equity Shares

Stamp

Authorised Signatory

Date:

Note: All future correspondence, if any, should be addressed to

Registrar to the Offer
Niche Technologies Private Limited
3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata - 700017
Contact Person: Mr. S. Abbas / Mr. Aniruddha Dutta
Ph. No.: +91-33-2280 6616 / 6617 / 6618
Fax No.: +91-33-2280 6619