

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer (DLOO) is sent to you as an Equity Shareholder(s) of A B Cotspin India 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 DLOO and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

MR. ABHEY JINDAL

Residing at Apartment No. 402A, 2nd Floor, Block 4A, The Camellias, Sikanderpur Ghosi (68), Gurgaon, Haryana - 122002;
Ph. No.: +91-8289000055; Fax No.: NA,
Email ID: deljindal@gmail.com (Hereinafter referred to as 'Acquirer 1')

MRS. SUVARNA JINDAL

Residing at Apartment No. 402A, 2nd Floor, Block 4A, The Camellias, Sikanderpur Ghosi (68) Gurgaon, Haryana - 122002;
Ph. No.: +91-8289000055; Fax No.: NA,
Email ID: deljindal@gmail.com (Hereinafter referred to as 'Acquirer 2')

MRS. SANYA JINDAL

Residing at House No. 5, Road No. 83, West Punjabi Bagh, Punjabi Bagh, Delhi - 110026;
Ph. No.: +91- 8289000055; Fax No.: NA, Email ID: deljindal@gmail.com (Hereinafter referred to as 'Acquirer 3')

MRS. RENU JINDAL

Residing at 18, Chander Lok Enclave, Pitampura, Saraswati Vihar, North West Delhi, Delhi - 110034;
Ph. No.: +91-8289000055; Fax No.: NA, Email ID: deljindal@gmail.com (Hereinafter referred to as 'Acquirer 4')
(Acquirer 1, Acquirer 2, Acquirer 3 and Acquirer 4 are hereinafter collectively referred to as 'Acquirers')

SHREE JINDAL SOYA PRIVATE LIMITED

Registered Office at 3rd Floor, Landmark Cyber Park, Sector-67, Gurgaon – 122001;
Ph. No.: +91- +91 8289000055; Fax No.: NA, Email ID: deljindal@gmail.com (Hereinafter referred to as 'PAC')

A B COTSPIN INDIA LIMITED

Registered Office: NH-54, Goniana Road, Near Lake-3, Bathinda, Punjab - 151001, India; Ph. No.: 01635-232670; Fax: NA;
Email ID: cs@abcotspin.in Website: www.abcotspin.co.in (Hereinafter referred to as 'Target Company' or 'ABC' or 'TC')
At an Offer Price of INR 236/- (Indian Rupees Two Hundred and Thirty Six 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 and subsequent amendments thereto.

- This offer is being made by the Acquirers along with PAC pursuant to Regulation 3(1), Regulation 3(2) 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 in the Target Company.
- This Offer is not subject to any minimum level of acceptance.
- The details of statutory approvals required is given in para 7.4 of this Draft Letter of Offer.
- THIS OFFER IS NOT A COMPETING OFFER.**
- If there is any upward revision in the Offer Price by the Acquirers along with PACs up to one working day prior to the commencement of the tendering period i.e., up to November 04, 2024, Monday 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 Acquirers along with PAC for all the shares validly tendered anytime during the offer.
- THERE IS NO COMPETING OFFER TILL DATE.**
- 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. 35 to 51). FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS DRAFT LETTER OF OFFER.

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 CAPITAL PRIVATE LIMITED

CIN: U74899DL2000PTC104508
D-28, South Extn., Part – I, New Delhi – 110049
Contact Person: Mr. Manoj Kumar/ Ms. Ruchika Sharma/
Mr. Nitin Khara
Ph. No.: +91-11-40622228/ +91-11-40622248
Fax. No.: 91-11-40622201
Email ID: manoj@indiaccp.com /
ruchika.sharma@indiaccp.com / nitin@indiaccp.com
SEBI Registration Number.: INM000011435

OFFER OPENS ON: NOVEMBER 06, 2024,
WEDNESDAY

REGISTRAR TO THE OFFER



BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED

CIN: U67120DL1993PTC052486
BEETAL House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi – 110062
Contact Person: Mr. Punit Kumar Mittal
Ph. No.: +91-11-29961281, +91-11-26051061,
+91-11-26051064
Fax. No.: +91-11-29961284
Email ID: beetal@beetalfinancial.com /
beetalrta@gmail.com
SEBI Registration Number: INR000000262

OFFER CLOSES ON: NOVEMBER 20, 2024,
WEDNESDAY

SCHEDULE OF ACTIVITIES OF THE OFFER

ACTIVITY	ORIGINAL DATE AND DAY
Public Announcement (PA) Date	September 11, 2024 Wednesday
Detailed Public Statement (DPS) Date	September 19, 2024 Thursday
Last date of filing of draft offer document with SEBI	September 26, 2024 Thursday
Last date for a competing offer	October 11, 2024 Friday
Identified Date*	October 22, 2024 Tuesday
Date by which Letter of Offer will be despatched to the shareholders	October 29, 2024 Tuesday
Issue Opening PA Date	November 05, 2024 Tuesday
Last date by which Board of TC shall give its recommendations	October 31, 2024 Thursday
Date of commencement of tendering period (Offer opening Date)	November 06, 2024 Wednesday
Date of expiry of tendering period (Offer closing Date)	November 20, 2024 Wednesday
Date by which all requirements including payment of consideration would be completed	December 04, 2024 Friday

() Identified Date is only for the purpose of determining the names of the 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 Acquirers and their persons acting in concert) are eligible to participate in the Offer any time before the Closure of the Offer.*

RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and those associated with Acquirers along with PACs:

(A) Relating to Transaction:

1. This Open Offer is **Triggered/ Mandatory Offer** made in compliance with Regulation 3(1), Regulation 3(2) and Regulation 4 of the SEBI (SAST) Regulations. This Open Offer is made to the Public Shareholders of the Target Company pursuant to acquisition of shares by the Acquirers in the past which triggered the requirement to make an open offer and thus Acquirers is making a delayed open offer to rectify the past non-compliances of SEBI (SAST) Regulations. Further, as on the date of PA, the Acquirers along with PAC intends to acquire control over the Target Company along with the Existing Promoters, thereby triggering the requirement to make an open offer in terms of Regulation 4 of SEBI (SAST) Regulations.
2. In terms of Regulation 23(1) of SEBI (SAST) Regulations, 2011, there may be an event which warrants withdrawal of the Offer. The Acquirers along with PAC make no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer. To the best of the knowledge of the Acquirers along with PAC, for the acquisition of control and 26.00% of the Paid Up Equity Share Capital of the Target Company under this Offer, no statutory and other approval(s) is required.

(B) Relating to the Offer:

1. This Offer is subject to the provisions of SEBI (SAST) Regulations, 2011, and in case of non-compliance by the Acquirers along with PAC with any of the provisions of the SEBI (SAST) Regulations, 2011, the Acquirers along with PAC shall not act upon the acquisition of equity shares under this Offer.
2. In the event that either (a) the regulatory approvals are not received in a timely manner; or (b) there is any court or regulatory order to stay the offer; or (c) SEBI instructs Acquirers along with PAC not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the shareholders of ABC, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers along with PAC, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers along with PAC for payment of consideration to the shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) and Regulation 18(11A) of the SEBI (SAST) Regulations, 2011.
3. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.

4. The Acquirers along with PAC make no assurance with respect to any decision by the shareholders on whether or not to participate in the offer. It is understood that the shareholders will be solely responsible for their decisions regarding their participation in this Offer.
5. The tendered physical shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and the shareholders who will tender their equity shares would not be able to trade such equity shares held in trust by the Registrar to the Offer during such period. The Acquirers along with PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the Draft Letter of Offer (DLOO)/ Detailed Public Statement (DPS)/ Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirers along with PAC) would be doing so at his / her / its own risk.
6. This DLOO has not been filed, registered with or approved in any jurisdiction outside India. Recipients of the DLOO who are the 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 subject the Acquirers along with PAC or the Manager to the Offer to any new or additional registration/approval requirements.
7. The Shareholders should note that, under SEBI (SAST) Regulations, 2011, once the 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 payment of consideration.

(C) Relating to Acquirers along with PAC:

1. The Acquirers along with PAC make no assurance with respect to the financial performance of the Target Company and expressly disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirers along with PAC make no assurance with respect to their investment/ divestment decisions relating to their proposed shareholding in the Target Company.
3. The Acquirers along with PAC will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

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

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1. DEFINITIONS

S. No.	Abbreviations	Particulars
1.	Acquirers	Mr. Abhey Jindal, Mrs. Suvarna Jindal, Mrs. Sanya Jindal and Mrs. Renu Jindal
2.	Board of Directors / Board	Board of Directors of A B COTSPIN INDIA LIMITED
3.	Book Value per equity share	Net worth / Number of equity shares issued
4.	Buying Broker	Nikunj Stock Brokers Limited
5.	CDSL	Central Depository Services (India) Limited
6.	CIN	Corporate Identification Number
7.	Companies Act, 2013	The Companies Act, 2013, as amended from time to time
8.	Detailed Public Statement or DPS	The Detailed Public Statement in connection with the Open Offer, published on behalf of the Acquirers along with PAC on September 19, 2024, in Business Standard (English) – All Editions; Business Standard (Hindi) – All Editions; Pratahkal (Marathi) – Mumbai Edition and Desh Sewak Daily (Punjabi) – Punjabi Edition
9.	Depositories	CDSL and NSDL
10.	DLOO or Draft Letter of Offer	This Draft Letter of Offer is the document filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations, 2011
11.	DP	Depository Participant
12.	EPS/ Earning Per Share	Profit after Tax / Number of Equity Shares issued
13.	Escrow Agreement	Escrow Agreement dated September 11, 2024, between Acquirers, Escrow Agent and Manager to the Offer
14.	Escrow Bank/ Escrow Agent	YES Bank Limited having its branch office at Ground Floor Agarwal, Corp Tower Plot No. 23 Centre Rajendra ,New Delhi – 110008
15.	Equity Shareholders	All holders of Equity Shares, including Beneficial Owners
16.	Equity Shares or Shares	Fully paid-up equity shares of face value of INR 10.00 each of the Target Company
17.	Existing Promoters	It means Mr. Deepak Garg, Mr. Manohar Lal, Mrs. Seema Garg and Mrs. Pooja Garg who collectively holds 35,93,340 equity shares representing 34.91% of the Paid-up Equity Share Capital of the Target Company.
18.	FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time

19.	Form of Acceptance	Form of Acceptance cum Acknowledgement
20.	Identified Date	The date falling on the 10 th (Tenth) Working Day prior to the commencement of the Tendering Period i.e., October 22, 2024, Tuesday for the purpose of determining the Shareholders to whom the Letter of Offer ('LOO') in relation to this Offer shall be sent
21.	INR	Indian National Rupees
22.	Manager to the Offer or, Merchant Banker	Corporate Professionals Capital Private Limited
23.	N.A.	Not Available/Not Applicable
24.	NSE Emerge	Emerge Platform of National Stock Exchange of India Limited
25.	NSDL	National Securities Depository Limited
26.	NRI	Non-Resident Indian
27.	LOO/ Letter of Offer	Letter of Offer is the document which shall be dispatched to the shareholders of the Target Company post receipt of observation letter from SEBI
28.	Offer or The Offer or Open Offer	Open Offer to acquire up to 26,75,972 (Twenty Six Lakh Seventy Five Thousand Nine Hundred and Seventy Two) Equity Shares representing 26.00% of the Paid-Up Equity Share Capital of the Target Company at an Offer Price of INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only) per fully paid-up equity share payable in cash
29.	Offer Period	November 06, 2024, Wednesday to November 20, 2024, Wednesday
30.	Offer Price	INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only) per fully Paid up Equity Share payable in cash
31.	PAC	Shree Jindal Soya Private Limited
32.	PAT	Profit After Tax
33.	Persons eligible to participate in the Offer	All the Registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares, except the Acquirers, PAC and their persons acting in concert
34.	Paid-up Equity Share Capital	It means the paid-up Equity Shares Capital of the Target Company i.e., INR 10,29,22,000/- (Indian Rupees Ten Crore Twenty Nine Lakh Twenty Two Thousand Only) divided into 1,02,92,200 (One Crore Two Lakh Ninety Two Thousand

		<p>Two Hundred) fully paid-up Equity Shares of face value of INR 10 (Indian Rupees Ten Only) each of the Target Company. Further, the Target Company had issued and allotted 1,20,28,562 (One Crore Twenty Lakh Twenty-Eight Thousand Five Hundred and Sixty Two) Warrants each convertible into or exchangeable for one fully paid up equity share of INR 10 (Indian Rupees Ten only) each of the Target Company on October 09, 2023.</p> <p><i>This does not envisage the conversion of warrants into equity shares since as per the confirmation received from the warrant holders, the conversion of warrants into equity shares shall be done only upon expiry of 10 working days from the completion of Offer Period in terms of SEBI (SAST) Regulations, 2011 and in case the warrants are converted into equity shares of the Target Company prior to expiry of 10 working days, the offer size will be increased accordingly in terms of Regulation 7(1) of SEBI (SAST) Regulations.</i></p>
35.	Public Announcement or PA	Public Announcement submitted to NSE, SEBI and TC on September 11, 2024, Wednesday
36.	Public Shareholders	All the shareholders of the Target Company who are eligible to tender their Equity Shares in the Offer, except the Acquirers, PAC, person acting in concert with the Acquirers.
37.	Registrar or Registrar to the Offer	Beetal Financial & Computer Services 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
38.	RBI	The Reserve Bank of India
39.	Return on Net Worth	(Profit After Tax/Net Worth) *100
40.	SCRR	Securities Contracts (Regulation) Rules, 1957, as amended or modified
41.	SEBI Act	Securities and Exchange Board of India Act, 1992
42.	SEBI	Securities and Exchange Board of India
43.	SEBI (ICDR) Regulations, 2018	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and subsequent amendments thereto
44.	SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto

45.	SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
46.	Stock Exchanges	NSE
47.	Target Company/ TC/ ABC	A B Cotspin India Limited
48.	Tendering Period	November 06, 2024, Wednesday to November 20, 2024, Wednesday
49.	Transaction I	It means the acquisition pursuant to off-market transfer of 17,59,860 (Seventeen Lakh Fifty Nine Thousand Eight Hundred and Sixty) Equity shares by Acquirer 3 on January 25, 2023
50.	Transaction II	It means the off-market transfer of 15,00,000 (Fifteen Lakh) Equity shares on February 07, 2023, from Acquirer 3 to Acquirer 2
51.	Working Days	Working Days of SEBI as defined under the SEBI (SAST) Regulations, 2011

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF A B COTSPIN INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF ACQUIRERS ALONG WITH PAC OR THE TARGET COMPANY WHOSE SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ALONG WITH PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS ALONG WITH PACS DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER “CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 23, 2024 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS, 2011. THE FILING OF THE DLOO DOES NOT, HOWEVER, ABSOLVE ACQUIRERS ALONG WITH PAC FROM THE

REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1. Background of the Offer

- 3.1.1. This Open Offer is made by Acquirers and PAC to rectify the past non-compliances and errors with respect to SEBI (SAST) Regulations, details of which are provided in the below paras.
- 3.1.2. Before effecting the Transaction I, the Acquirers were collectively holding 20,55,000 (Twenty Lakh and Fifty Five Thousand) Equity Shares representing 19.97% of the Paid-up Equity Share Capital of the Target Company, however, pursuant to Transaction I, wherein 17,59,860 (Seventeen Lakh Fifty Nine Thousand Eight Hundred and Sixty) Equity shares were acquired by Acquirer 3, resulted into increase in the aggregate shareholding of the Acquirers from 20,55,000 (Twenty Lakh and Fifty Five Thousand) Equity Shares representing 19.97% of the Paid-up Equity Share Capital of the Target Company to 38,14,860 (Thirty Eight Lakh Fourteen Thousand Eight Hundred and Sixty) Equity shares representing 37.07% of the Paid-up Equity Share Capital of the Target Company, thereby triggering the requirement to make an open offer in terms of Regulation 3(1) of SEBI (SAST) Regulations on January 25, 2023.
- 3.1.3. Further, pursuant to the Transaction II, Acquirer 3 transferred 15,00,000 (Fifteen Lakh) Equity shares representing 14.57% of the Paid-up Equity Share capital of the Target Company to Acquirer 2, thus, breaching the threshold as specified under regulation 3(2) of SEBI (SAST) Regulations, thereby triggering the requirement to make an open offer in terms of Regulation 3(2) of SEBI (SAST) Regulations on February 07, 2023.
- 3.1.4. This Open Offer is made to the Public Shareholders of the Target Company pursuant to acquisition of shares by the Acquirers in the past which triggered the requirement to make an open offer and thus Acquirers is making a delayed open offer to rectify the past non-compliances of SEBI (SAST) Regulations. Further, as on the date of PA, the Acquirers along with PAC intends to acquire control over the Target Company along with the Existing Promoters of the Target Company, thereby triggering the requirement to make an open offer in terms of Regulation 4 of SEBI (SAST) Regulations.
- 3.1.5. The Acquirers besides being the shareholders of the Target Company have business associations with the Target Company and the Existing Promoters of the Target Company, whereby personal guarantee(s) were provided, certain unsecured loans were advanced, certain advance was received in lieu of the sale of goods. Further, certain amount as salary is being withdrawn by Acquirer 2.
- 3.1.6. The Acquirers along with PAC have made this open offer to acquire up to 26,75,972 (Twenty Six Lakh Seventy Five Thousand Nine Hundred and Seventy Two) Equity Shares representing 26.00% of the Equity Share Capital of the Target Company at an Offer Price of INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only) per fully paid-up equity share payable in

cash, subject to the terms and conditions as set out in Public Announcement, Detailed Public Statement and this Draft Letter of Offer, that will be sent to the all the Public Shareholders of the Target Company.

- 3.1.7. Pursuant to this Offer, the shareholding of the Acquirers along with PAC would increase from 38,79,360 (Thirty Eight Lakh Seventy Nine Thousand Three Hundred and Sixty) Equity Shares representing 37.69% of the Paid-up Equity Share Capital of the Target Company to 65,55,332 (Sixty Five Lakh Fifty Five Thousand Three Hundred and Thirty Two) Equity Shares representing 63.69% of the Paid-up Equity Share Capital of the Target Company as on the tenth working day after the closure of the Tendering Period.
- 3.1.8. As on the date of PA, the Acquirers along with PAC have 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.
- 3.1.9. Post to the acquisition of control over the Target Company, the Acquirers along with PAC may appoint their representatives on the Board of the Target Company.
- 3.1.10. The recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy whereof shall be sent to SEBI, NSE 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.

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 Acquirers along with PAC have made a PA on September 11, 2024, to SEBI, NSE and TC and the DPS was published on September 19, 2024 in the following newspapers:

Newspapers	Editions
Business Standard (English)	All Editions
Business Standard (Hindi)	All Editions
Prathakal (Marathi)	Mumbai Edition
Desh Sewak Daily (Punjabi)	Punjabi Edition

The DPS is also available on the website of SEBI www.sebi.gov.in, NSE www.nseindia.com on the website of Manager to the Offer www.corporateprofessionals.com

- 3.2.2. The Acquirers along with PAC have made this Takeover Open Offer in terms of SEBI (SAST) Regulations, 2011 to the Public Shareholders of the Target Company to acquire upto 26,75,972 (Twenty Six Lakh Seventy Five Thousand Nine Hundred and Seventy Two) Equity Shares representing 26.00% of the Paid-up Equity Share Capital of the Target Company at an Offer Price of INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only) per fully paid-up equity share payable in cash, subject to the terms and conditions as set out in PA, DPS and this Draft Letter of Offer, that will be sent to the all the Public Shareholders of the Target Company.
- 3.2.3. There are no 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 Regulation 20 of the SEBI (SAST) Regulations, 2011.
- 3.2.6. The Offer is not a conditional offer and is not subject to any minimum level of acceptance from the shareholders. The Acquirers along with PAC will accept the Equity Shares of Target Company those are tendered in valid form in terms of this offer up to a maximum of 26,75,972 (Twenty Six Lakh Seventy Five Thousand Nine Hundred and Seventy Two) Equity Shares representing 26.00% of the Paid-up Share Capital of the Target Company at an offer price of INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only).
- 3.2.7. The Acquirers along with PAC have not acquired any shares of Target Company after the date of PA i.e., September 11, 2024, and upto the date of this DLOO.
- 3.2.8. The Equity Shares of the Target Company will be acquired by the Acquirers along with PAC 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 DLOO, the Acquirers along with PAC holds 38,79,360 (Thirty Eight Lakh Seventy Nine Thousand Three Hundred and Sixty) Equity shares representing 37.69% of the Paid-up Equity Share Capital of the Target Company and also the Acquirers besides being the shareholders of the Target Company have business associations with the Target Company and the Existing Promoters of the Target Company, whereby personal guarantee(s) were provided, certain unsecured loans were advanced, certain advance was received in lieu of the sale of goods. Further, certain amount as salary is also being withdrawn by Acquirer 2.
- 3.2.10. Upon completion of the Offer, assuming full acceptances in the Offer, and also assuming that tendering will be made by Public Shareholders other than Existing Promoters, the Acquirers along with PAC and Existing Promoters will hold 1,01,48,672 (One Crore One Lakh Forty Eight Thousand Six Hundred and Seventy Two) Equity Shares representing 98.61% of the Paid-up Equity Share Capital of the Target Company as on the tenth working day after the closure of the Tendering Period. As per Regulation 38 of the SEBI (LODR) Regulations, 2015 read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the 'SCRR'), the Acquirers along with PAC and Existing Promoters are required to maintain at least 25 percent 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 reduce below the Minimum Public Shareholding required as per SCRR as amended and SEBI (LODR) Regulations, 2015, the Acquirers along with PAC undertake that they will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of SCRR, the Listing Agreement or corresponding provisions of SEBI (LODR) Regulations, 2015 and the Regulations 7(4) and 7(5) of the SEBI (SAST) Regulations, 2011 and will reduce the non-public shareholding within the time period mentioned therein.
- 3.2.11. The Manager to the Offer, Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as at the date of DPS and this Draft Letter of Offer. The

Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.

3.2.12. Pursuant to an Open Offer, the Acquirers along with PAC will be classified into Promoter and Promoter group of the Target Company pursuant with Regulation 31A of SEBI (LODR) Regulations, 2015.

3.3. Object of the Acquisition/ Offer

The main object of the Acquirers is to rectify the past non-compliances of SEBI (SAST) Regulations and intended to acquire control over the management and affairs of the Target Company along with the Existing Promoters. Furthermore, the Acquirers would like to continue in the same line of business of the Target Company.

4. BACKGROUND OF THE ACQUIRERS AND PAC

4.1. MR. ABHEY JINDAL ('ACQUIRER 1')

4.1.1 Mr. Abhey Jindal S/o Mr. Hemant Jindal, having PAN ARNPJ7831N under the Income Tax Act, 1961, presently residing at Apartment No. 402A, 2nd Floor, Block 4A, The Camellias, Sikanderpur Ghosi (68), Gurgaon, Haryana – 122002; Ph. No.: +91-8289000055; Email ID: deljindal@gmail.com.

4.1.2 Acquirer 1 possesses rich experience in the field of Real Estate and Developers.

4.1.3 The Net Worth of Acquirer 1 as on September 04, 2024 is INR 21,17,62,928/- (Indian Rupees Twenty One Crore Seventeen Lakh Sixty Two Thousand Nine Hundred and Twenty Eight Only) as certified by CA Shubham Aggarwal (Membership No. 559984, Proprietor of M/s Shubham Avnish & Associates, Chartered Accountants (UDIN 24559984BKCBNM7876) having office at S.C.O. 10, 3rd Floor, Sector 58, Industrial Area, Mohali (Punjab); Ph. No.: +91-8360614667; Email: shubhamavnishassociates@gmail.com vide its certificate dated September 11, 2024.

4.1.4 After effecting Transaction I, Transaction II and at the time of making PA, Acquirer 1 holds 6,90,000 (Six Lakh and Ninety Thousand) equity shares representing 6.70% of the Paid-up Equity Share Capital of the Target Company. Further, Acquirer 1 has not acquired any equity shares of the Target Company from the date of PA till the date of this DLOO.

4.1.5 As on the date of the DLOO, apart from the shareholding mentioned above and the business association as mentioned in Para 3.1.5 above, the Acquirer 1 does not hold any interest in the Target Company.

4.1.6 As on the date of PA, Acquirer 1 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 or by any other regulator.

4.2. SUVARNA JINDAL ('ACQUIRER 2')

4.2.1 Mrs. Suvarna Jindal w/o Mr. Abhey Jindal, having PAN FJNPS8556J under the Income Tax Act, 1961, presently residing at Apartment No. 402A, Second Floor, Block-4A, The Camellias- DLF 5 Sikanderpur Ghosi (68) Gurgaon Haryana – 122002; Ph. No.: +91-8289000055; Email ID: deljindal@gmail.com.

- 4.2.2 Acquirer 2 has certain experience in the field of Real Estate and Developers.
- 4.2.3 The Net Worth of Acquirer 2 as on September 04, 2024 is INR 64,25,33,336/- (Indian Rupees Sixty Four Crore Twenty Five Lakh Thirty Three Thousand Three Hundred and Thirty Six Only) as certified by CA Shubham Aggarwal (Membership No. 559984, Proprietor of M/s Shubham Avnish & Associates, Chartered Accountants (UDIN 24559984BKCBNO9538) having office at S.C.O. 10, 3rd Floor, Sector 58, Industrial Area, Mohali (Punjab); Ph. No.: +91-8360614667; Email: shubhamavnishassociates@gmail.com vide its certificate dated September 11, 2024.
- 4.2.4 After effecting Transaction I, Acquirer 2 holds 8,40,000 (Eight Lakh Forty Thousand) Equity Shares representing 8.16% of Paid-up Equity Share Capital of the Target Company. Further after effecting Transaction II and at the time of making PA, Acquirer 2 holds 23,40,000 (Twenty Three Lakh and Forty Thousand) equity shares representing 22.74% of the Paid-up Equity Share Capital of the Target Company. Further, Acquirer 2 has not acquired any equity shares of the Target Company from the date of PA till the date of this DLOO.
- 4.2.5 As on the date of the DLOO, apart from the shareholding mentioned above, the business association as mentioned in Para 3.1.5 and being director in the wholly owned subsidiary of the Target Company, KKML Welfare Foundation (company incorporated under section 8 of Companies Act, 2013), the Acquirer 2 does not hold any interest in the Target Company.

4.3. SANYA JINDAL ('ACQUIRER 3')

- 4.3.1 Mrs. Sanya Jindal w/o Mr. Umang Jindal, having PAN AUDPG3929P under the Income Tax Act, 1961, presently residing at House No. 5, Road No. 83, West Punjabi Bagh, Punjabi Bagh, Delhi 110026; Ph. No.: +91-8289000055; Email ID: deljindal@gmail.com.
- 4.3.2 Acquirer 3 has completed MSc & DIC in the field of strategic marketing from Imperial College of London and have some experience in the field of Real Estate and Developers.
- 4.3.3 The Net Worth of Acquirer 3 as on September 04, 2024 is INR 61,31,06,021/- (Indian Rupees Sixty One Crore Thirty One Lakh Six Thousand and Twenty One Only) as certified by CA Shubham Aggarwal (Membership No. 559984, Proprietor of M/s Shubham Avnish & Associates, Chartered Accountants (UDIN 24559984BKCBNL4881) having office at S.C.O. 10, 3rd Floor, Sector 58, Industrial Area, Mohali (Punjab); Ph. No.: +91-8360614667; Email: shubhamavnishassociates@gmail.com vide its certificate dated September 11, 2024.
- 4.3.4 After effecting Transaction I, Acquirer 3 holds 22,84,860 (Twenty Two lakh Eighty Four Thousand Eight Hundred and Sixty) Equity Shares representing 22.10% of Paid-up Equity Share Capital of the Target Company. Further, after effecting Transaction II and at the time of making PA, Acquirer 3 holds 7,84,860 (Seven Lakh Eighty Four Thousand Eight Hundred and Sixty) equity shares representing 7.63% of the Paid-up Equity Share Capital of the Target Company. Further, Acquirer 3 has not acquired any equity shares of the Target Company from the date of PA till the date of this DLOO.
- 4.3.5 As on the date of the DLOO, apart from the shareholding mentioned above and holding 20,28,571 (Twenty Lakh Twenty Eight Thousand Five Hundred and Seventy One) warrants

convertible into equal number of equity shares and the business association as mentioned in 3.1.5, the Acquirer 3 does not hold any interest in the Target Company. Further as on the date of PA, the parents of Acquirer 3 also holds collectively 2,85,714 (Two Lakh Eighty Five Thousand Seven Hundred and Fourteen) warrants convertible into equal number of equity shares in the Target Company. Acquirer 2 has not acquired any equity shares of the Target Company from the date of PA till the date of this DLOO.

4.4. RENU JINDAL ('ACQUIRER 4')

- 4.4.1 Mrs. Renu Jindal w/o Mr. Hemant Jindal, having PAN ADCPJ2318K under the Income Tax Act, 1961, presently residing at 18, Chander Lok Enclave, Pitampura, Saraswati Vihar, North West Delhi, Delhi – 110034; Ph. No.: +91-8289000055; Email ID: deljindal@gmail.com.
- 4.4.2 Acquirer 4 has invested in various companies besides being the homemaker.
- 4.4.3 The Net Worth of Acquirer 4 as on September 04, 2024 is INR 21,41,78,681/- (Indian Rupees Twenty One Crore Forty One Lakh Seventy Eight Thousand Six Hundred and Eighty One Only) as certified by CA Shubham Aggarwal (Membership No. 559984, Proprietor of M/s Shubham Avnish & Associates, Chartered Accountants (UDIN 24559984BKCBNN7055) having office at S.C.O. 10, 3rd Floor, Sector 58, Industrial Area, Mohali (Punjab); Ph. No.: +91-8360614667; Email: shubhamavnishassociates@gmail.com vide its certificate dated September 11, 2024.
- 4.4.4 Acquirer 4 does not hold any equity shares in the Target Company after effecting Transaction I, however after Transaction II, Acquirer 4 has acquired equity shares of the Target Company, thus, at the time of making PA, Acquirer 4 holds 64,500 (Sixty Four Thousand and Five Hundred) equity shares representing 0.63% of the Paid-up Equity Share Capital of the Target Company. Further, Acquirer 4 has not acquired any equity shares of the Target Company from the date of PA till the date of this DLOO.
- 4.4.5 As on the date of the DLOO, apart from the shareholding mentioned above and the business association as mentioned in Para 3.1.5 above, the Acquirer 4 does not hold any interest in the Target Company.

4.5. SHREE JINDAL SOYA PRIVATE LIMITED LIMITED ('PAC')

- 4.5.1 PAC is a private limited company having CIN U15142HR1999PTC122799, incorporated on February 04, 1999, under the provisions of the Companies Act, 1956. The registered office of the PAC is situated at 3rd Floor, Landmark Cyber Park, Sector-67, Gurgaon – 122001.
- 4.5.2 PAC is engaged in the business of Import and Trading of Edible Oil.
- 4.5.3 The details of changes in name of PAC have been detailed below:

S. No.	Name	Information/ Date of change
1.	Shree Jindal Soya Limited	PAC was incorporated on February 04, 1999 with mentioned name
2.	Shree Jindal Soya Private Limited	The name was further changed on March 08, 2024

4.5.4 The present authorized share capital of the PAC is INR 1,75,00,000 (Indian Rupees One Crore and Seventy Five Lakh Only) divided into 17,50,000 (Seventy Lakh and Fifty Thousand) Equity Shares of INR 10/- (Indian Rupees Ten Only) each. The paid-up equity share capital of the PAC is INR 1,67,32,000 (Indian Rupees One Crore Sixty Seven Lakh and Thirty Two Thousand Only) divided into 16,73,200 (Sixteen Lakh Seventy Three Thousand and Two Hundred) Equity Shares of INR 10/- (Indian Rupees Ten Only) each.

4.5.5 The persons in control/ members of promoter and promoter group of the PAC along with the shareholding details of all other shareholders are mentioned below:

S. No.	Name of the Shareholders	No. of Shares held	%
Promoters			
1.	Suvarna Jindal (Acquirer 2)	6,60,247	39.46
2.	Sanya Jindal (Acquirer 3)	5,14,103	30.73
3.	Abhey Jindal (Acquirer 1)	3,85,706	23.05
4.	Hemant Jindal (HUF)	1,13,144	6.76
Total		16,73,200	100.00
Public			
1.	FII/ Mutual-Funds/ FIs/ Banks	Nil	Nil
2.	Public other than FII/ Mutual-Funds/ FIs/ Banks		
Total		16,73,200	100.00

4.5.6 The standalone financial information for last three financial years are as follows:

Standalone Financial Statements

(INR in Lacs)

Profit & Loss Statement	Year ended March 31, 2022 (Audited)	Year ended March 31, 2023 (Audited)	Year ended March 31, 2024 (Audited)
Income from Operations	0.00	0.00	222.28
Other Income	0.00	0.00	67.13
Increase/Decrease in Stock	0.00	0.00	0.00
Total Income	0.00	0.00	289.40
Total Expenditure (Excluding Depreciation and Interest)	0.40	210.99	224.85
Profit Before Depreciation Interest and Tax	(0.40)	(210.99)	64.55
Depreciation	0.05	0.04	0.17
Interest	0.00	0.00	0.00

Profit/ (Loss) Before Tax	(0.45)	(211.03)	64.38
Provision for Tax	0.00	0.00	10.19
Profit/ (Loss) After Tax	(0.45)	(211.03)	54.19

Balance Sheet Statement	Year ended March 31, 2022 (Audited)	Year ended March 31, 2023 (Audited)	Year ended March 31, 2024 (Audited)
Sources of funds			
Paid up share capital	167.32	167.32	167.32
Reserves and Surplus (Excl. Revaluation Reserve)	(2,238.22)	1,704.41	4,157.88
Secured loans	382.57	0.00	0.00
Unsecured loans	2,755.66	0.00	0.00
Deferred Tax Liability (Net)	(0.10)	(0.10)	(0.10)
Other Liabilities	1,706.52	692.90	821.37
Total	2,773.74	2564.53	5,146.47
Uses of funds			
Net fixed assets	0.54	0.51	0.33
Investments	0.00	0.00	0.00
Net Current Assets	2,773.20	2,564.02	5,146.14
Total miscellaneous expenditure not written off	0.00	0.00	0.00
Total	2,773.74	2,564.53	5,146.47

Other Financial Data	Year ended March 31, 2022 (Audited)	Year ended March 31, 2023 (Audited)	Year ended March 31, 2024 (Audited)
Dividend (% of the Face Value)	0.00	0.00	0.00
Earnings Per Share (INR)	0.00	(12.61)	3.24
Net worth (INR In Lacs)	(2,070.90)	1,871.73	4,325.20
Return on Net worth (%)	0.02	(11.27)	1.25
Book Value Per Equity Share (INR)	(123.77)	111.87	258.50

Source: As certified by CA Uma Garg (Membership No.:500058), Partner of M/S Mehtani Associates, Chartered Accountants having office at 598, PLA Hisar – 125001; Ph. No.: +91-9253921095 Email ID mht.asct@gmail.com vide its certificate dated September 11, 2024.

4.5.7 There are no contingent liabilities.

4.5.8 As on the date of the Public Announcement, PAC does not hold any shares or interest in the Target Company.

4.5.9 The details of Board of Directors (BOD) of PAC is as follows:

Particulars	Details of BOD of PAC
Name of the Director	Mr. Kewal Krishan
Designation	Executive Director
DIN	00313601
Residential Address	Flat No-163, Tower-5, Homeland Heights, Sector-70, Mohali, SAS Nagar (Mohali) Punjab- 160071
Qualification and Experience	Rich Experience in the field of Real Estate, Cotton Ginning and Edible Oil.
Date of Appointment	December 20, 2022
No. of Shares held in Target Company	Nil
Other Directorship	<ul style="list-style-type: none"> • S.A. Global Private Limited • AB Techmart Private Limited • AB Soya Private Limited • K K Continental Trade Private Limited • Jindal Oil and Fats Private Limited • H. R. Landbase Private Limited
Name of the Director	Mr. Hemraj Sagar
Designation	Non-Executive
DIN	10282656
Residential Address	31257 10/3 Paras Ram Nagar Bathinda, Punjab- 151001

Qualification and Experience	Good Experience in the field of Real Estate, Cotton Ginning and Edible Oil.
Date of Appointment	August 18, 2023
No. of Shares held in Target Company	Nil
Other Directorship	<ul style="list-style-type: none"> • K K Continental Trade Private Limited • Jindal Oil and Fats Private Limited

4.5.10As on the date of the Public Announcement, PAC 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.

5. BACKGROUND OF THE TARGET COMPANY – A B COTSPIN INDIA LIMITED

5.1 The Target Company having CIN L17111PB1997PLC020118, was incorporated as a private limited company on June 23, 1997, under the provisions of Companies Act, 1956 under the name and style of Ganga Cottex Private Limited, thereafter the Target Company was converted to Public Limited Company on March 26, 2010, and name of the Target Company being changed to Ganga Cottex Limited. Thereafter, the name of the company changed to its current name i.e., A B Cotspin India Limited on December 24, 2010. Further, the Target Company has come up with the initial public offer and the equity shares of the Target Company are listed and traded on Emerge platform of NSE since January 11, 2022.

5.2 The registered office of the Target Company is situated at NH-54, Goniana Road, Near Lake-3, Bathinda, Punjab – 151001, India.

5.3 Share capital structure of the Target Company as on the date of DLOO is as follows—

Paid up Shares of Target Company	No. of Shares/ voting rights	% of voting rights
Fully paid up equity shares	1,02,92,200 Equity Shares of INR 10.00 each	100.00
Partly paid up equity shares	Nil	Nil
Total paid up equity shares	1,02,92,200 Equity Shares of INR 10.00 each	100.00
Total Voting Rights in TC	1,02,92,200 Equity Shares of INR 10.00 each	100.00

Further, the Target Company had issued and allotted 1,20,28,562 (One Crore Twenty Lakh Twenty-Eight Thousand Five Hundred and Sixty Two) Warrants each convertible into or exchangeable for one fully paid up equity share of INR 10 (Indian Rupees Ten only) each of the Target Company on October 09, 2023.

5.4 The Equity Shares of Target Company are listed and traded on the bourses of Emerge platform of National Stock Exchange of India Limited ('NSE Emerge') and are frequently 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 when PA is required to be made pursuant to triggering of open offer under Transaction I, Transaction II and on the date when PA was actually made.

5.5 The authorized share capital of the Target Company is INR 24,40,00,000 (Indian Rupees Twenty Four Crore and Forty Lakh only) constituting 2,40,00,000 (Two Crore and Forty Lakh) Equity Shares of INR 10/- each and 4,00,000 (Four Lakh) Preference Shares of INR 10/- each. The paid-up equity share capital of the Target Company is INR 10,29,22,000 (Indian Rupees Ten Crore Twenty Nine Lakh and Twenty Two Thousand Only) divided into 1,02,92,200 (One Crore Two Lakh Ninety Two Thousand and Two Hundred) Equity Shares of INR 10/- (Indian Rupees Ten only) each.

5.6 Presently, there are no outstanding convertible instruments and no outstanding partly paid up shares in the Target Company except as mentioned below: -

S. No.	Type of Security	Number of Security
1.	Warrants	1,20,28,562

5.7 The equity shares of the Target Company are not currently suspended for trading on the Stock Exchange.

5.8 As on the date of this DLOO, the composition of the Board of Directors of ABC is as under—

S. No.	Name and Address of Director	Designation	Date of Appointment
1.	Mr. Deepak Garg DIN: 00843929 Address: 107, Homeland Enclave, Goniana Road, Punjab 151001	Chairman & Managing Director, Executive Director	August 26, 2014
2.	Mr. Manohar Lal DIN: 02406686 Address: 107, Goniana Road, Homeland Enclave, Bathinda, Punjab 151001	Whole Time Director, Executive Director	August 01, 2018
3.	Mr. Ramesh Kumar DIN: 07684009 Address: 681 C 2, Wadi Wali Gali, Ward No. 47, Amrik Singh Road, Bathinda, Punjab, 151005	Non-Executive Director	March 02, 2020
4.	Mr. Puneet Bhandari DIN: 03625316 Address: Flat No. 10, First Floor Tower 3, Homeland Heights, Opposite Sohana	Independent Director	March 09, 2021

	Gurudwara, Sector-70, S.A.S. Nagar (Mohali), Punjab 160071		
5.	Mr. Preet Bhatia DIN: 07070977 Address: 152. Golden Avenue, Near Har Krishan Public School, Amritsar Punjab 143001	Independent Director	March 09, 2021

5.9 The financial information for last three financial years are as follows:

Standalone Financial Statements

(INR in Lacs)

Profit & Loss Statement	Year ended March 31, 2022 (Audited)	Year ended March 31, 2023 (Audited)	Year ended March 31, 2024 (Audited)
Income from Operations	14,068.87	16,910.01	25,576.55
Other Income	22.90	55.75	120.23
Increase/Decrease in Stock	362.01	639.66	499.37
Total Income	14,453.78	17,605.42	26,196.15
Total Expenditure (Excluding Depreciation and Interest)	13,001.31	16,505.76	23,432.46
Profit Before Depreciation Interest and Tax	1,452.47	1,099.66	2,763.69
Depreciation	327.88	492.43	984.79
Interest	216.18	349.94	934.12
Exceptional Items	0.00	0.00	0.00
Profit/ (Loss) Before Tax	908.41	257.29	844.78
Provision for Tax	225.09	63.99	174.93
Profit/ (Loss) After Tax	683.32	193.30	669.85

Balance Sheet Statement	Year ended March 31, 2022 (Audited)	Year ended March 31, 2023 (Audited)	Year ended March 31, 2024 (Audited)
Sources of funds			
Paid up share capital	1,048.82	1,048.82	1,048.82

Reserves and Surplus (Excl. Revaluation Reserve)	2,833.63	3,209.02	5,797.55
Secured loans	1,681.33	8,755.67	11,802.32
Unsecured loans	1,374.05	1,053.65	364.43
Deferred Tax Liability (Net)	118.89	233.27	210.37
Other Liabilities	30.03	19.98	36.51
Total	7,086.75	14,320.41	19,260.00
Uses of funds			
Net fixed assets	4,164.68	7,733.92	7,208.11
Investments	1.43	439.21	96.19
Net Current Assets	2,655.07	6,010.45	11,323.68
Total miscellaneous expenditure not written off	0.00	0.00	0.00
Other Assets	265.57	136.83	632.02
Total	7,086.75	14,320.41	19,260.00

Other Financial Data	Year ended March 31, 2022 (Audited)	Year ended March 31, 2023 (Audited)	Year ended March 31, 2024 (Audited)
Dividend (% of the Face Value)	0.00	0.00	0.00
Earnings Per Share (INR)	8.47	1.88	6.51
Net worth (INR In Lacs)	3,882.45	4,257.84	6,846.37
Return on Net worth (%)	17.60	4.54	12.06
Book Value Per Equity Share (INR)	36.34	39.85	64.08

Source – As certified by CA Sourabh Goyal (Membership No.:529363), Partner of M/S P.L. Mittal & Co., Chartered Accountants having office at 21368, Power House Road Bathinda - 151001; Ph. No.: +91-9888289811; Email ID plmittalco@yahoo.com vide its certificate dated September 11, 2024.

5.10 Pre and Post-Offer shareholding pattern of the Target Company as on the date of Draft Letter of Offer 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 the offer under 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 (Existing Promoters)								

	a. Parties to agreement, if any	0	0.00	0	0.00	0	0.00	0	0.00
	b. Promoters other than (a) above	35,93,340	34.91	0	0.00	0	0.00	35,93,340*	34.91
	Total 1 (a+b)	35,93,340	34.91	0	0.00	0	0.00	35,93,340*	34.91
2.	Acquirers along with PACs (New Promoters)								
A. Transaction I									
	a) Abhey Jindal	6,90,000	6.70	0	0.00	0	0.00	6,90,000	6.70
	b) Suvarna Jindal	8,40,000	8.16	0	0.00	0	0.00	8,40,000	8.16
	c) Sanya Jindal	5,25,000	5.10	17,59,860	17.10	0	0.00	22,84,860	22.20
	d) Renu Jindal	0	0.00	0	0.00	0	0.00	0	0.00
	e) Shree Jindal Soya Private Limited	0	0.00	0	0.00	0	0.00	0	0.00
	Total 2A (a+b)	20,55,000	19.97	17,59,860	17.10	0	0.00	38,14,860	37.07
B. Transaction II									
	a) Abhey Jindal	6,90,000	6.70	0	0.00	0	0.00	6,90,000	6.70
	b) Suvarna Jindal	8,40,000	8.16	15,00,000	14.57	0	0.00	23,40,000	22.74
	c) Sanya Jindal	22,84,860	22.20	(15,00,000)	(14.57)	0	0.00	7,84,860	7.63
	d) Renu Jindal	0	0.00	0	0.00	0	0.00	0	0.00
	e) Shree Jindal Soya Private Limited	0	0.00	0	0.00	0	0.00	0	0.00
	Total 2B (a+b)	38,14,860	37.07	0	0.00	0	0.00	38,14,860	37.07
C. Public Announcement dated September 11, 2024									
	a) Abhey Jindal	6,90,000	6.70	0	0.00	12,00,000	11.66	18,90,000	18.36
	b) Suvarna Jindal	23,40,000	22.74	0	0.00	4,00,000	3.89	27,40,000	26.62
	c) Sanya Jindal	7,84,860	7.63	0	0.00	7,50,000	7.29	15,34,860	14.91
	d) Renu Jindal	64,500	0.00	0	0.00	3,25,972	3.17	3,90,472	3.79
	e) Shree Jindal Soya Private Limited	0	0.00	0	0.00	0	0.00	0	0.00
	Total 2C (a+b)	38,14,860	37.07	0	0.00	26,75,972*	26.00	65,55,332	63.69
3.	Parties to the agreement other than 1(a) & 2	0	0.00	0	0.00	0	0.00	0	0.00
4.	Public (other than parties to agreement, Promoters, Acquirers and PAC)								
Transaction I									
a.	Fls / MFs / FIs / Banks, SFIs	46,43,860	45.12	(17,59,860)	(17.10)	0	0.00	28,84,000	28.02
b.	Others								
	Total (4A)(a+b)	46,43,860	45.12	(17,59,860)	(17.10)	0	0.00	28,84,000	28.02
	Total (1+2+3+4)	1,02,92,200	100.00	0	0.00	0	0.00	1,02,92,200	100.00
Transaction II									
a.	Fls / MFs / FIs / Banks, SFIs	28,84,000	28.02	0	0.00	0	0.00	28,84,000	28.02
b.	Others								
	Total (4B)(a+b)	28,84,000	28.02	0	0.00	0	0.00	28,84,000	28.02
	Total (1+2+3+4)	1,02,92,200	100.00	0	0.00	0	0.00	1,02,92,200	100.00

Public Announcement dated September 11, 2024									
a.	FIs / MFs / FIs / Banks, SFIs	28,84,000	28.02	0	0.00	(26,75,972)*	(26.00)*	2,08,028	2.02
b.	Others								
	Total (4C)(a+b)	28,84,000	28.02	0	0.00	(26,75,972)	(26.00)	2,08,028	2.02
	Total (1+2+3+4)	1,02,92,200	100.00	0	0.00	0	0.00	1,02,92,200	100.00

*We have assumed above that tendering under the open offer will be done by the Public Shareholders other than the Existing Promoters, however, existing promoters are also eligible to tender equity shares under the open offer. Thus, in case the Existing Promoters tender equity shares under the open offer the above mentioned %ages will be changed.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1. This Open Offer is made by Acquirers and PAC to rectify the past non-compliances and errors with respect to SEBI (SAST) Regulations, details of which are provided in the below paras.

6.1.2. Before effecting the Transaction I, the Acquirers were collectively holding 20,55,000 (Twenty Lakh and Fifty Five Thousand) Equity Shares representing 19.97% of the Paid-up Equity Share Capital of the Target Company, however, pursuant to Transaction I, wherein 17,59,860 (Seventeen Lakh Fifty Nine Thousand Eight Hundred and Sixty) Equity shares were acquired by Acquirer 3, resulted into increase in the aggregate shareholding of the Acquirers from 20,55,000 (Twenty Lakh and Fifty Five Thousand) Equity Shares representing 19.97% of the Paid-up Equity Share Capital of the Target Company to 38,14,860 (Thirty Eight Lakh Fourteen Thousand Eight Hundred and Sixty) Equity shares representing 37.07% of the Paid-up Equity Share Capital of the Target Company, thereby triggering the requirement to make an open offer in terms of Regulation 3(1) of SEBI (SAST) Regulations on January 25, 2023.

6.1.3. Further, pursuant to the Transaction II, Acquirer 3 transferred 15,00,000 (Fifteen Lakh) Equity shares representing 14.57% of the Paid-up Equity Share capital of the Target Company to Acquirer 2, thus, breaching the threshold as specified under regulation 3(2) of SEBI (SAST) Regulations, thereby triggering the requirement to make an open offer in terms of Regulation 3(2) of SEBI (SAST) Regulations on February 07, 2023.

6.1.4. This Open Offer is made to the Public Shareholders of the Target Company pursuant to acquisition of shares by the Acquirers in the past which triggered the requirement to make an open offer and thus Acquirers is making a delayed open offer to rectify the past non-compliances of SEBI (SAST) Regulations. Further, as on the date of PA, the Acquirers along with PAC intends to acquire control over the Target Company along with the Existing Promoters of the Target Company, thereby triggering the requirement to make an open offer in terms of Regulation 4 of SEBI (SAST) Regulations.

6.1.5. The Equity Shares of the Target Company are listed and traded on the bourses of Emerge Platform of NSE. 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 in which the requirement to make open offer was triggered 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	No. of Equity Shares	Annualised Trading Turnover (as % of No. of Equity Shares)
NSE Emerge	January 2022 to December 2022 (For Transaction I)	50,24,000	102,92,200	48.81
NSE Emerge	February 2022 to January 2023 (For Transaction II)	44,72,000	102,92,200	43.45
NSE Emerge	September 2023 to August 2024	10,89,500	102,92,200	10.59

Source: www.nseindia.com

- 6.1.6. The equity shares of the Target Company are listed and traded on the bourses of NSE Emerge and are **frequently traded** on NSE within the meaning of definition of 'frequently traded shares' under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).
- 6.1.7. The Offer Price calculated in terms of Regulation 8(2) of the SEBI (SAST) Regulations including interest for the triggering event pursuant to Transaction I under Regulation 3(1) is as follows: -

Particulars	Details
Last payout date if PA was made on January 25, 2023	April 24, 2023
Last Payout date from actual date of making the PA i.e., September 11, 2024	December 04, 2024
Delay Period	
Month	Days
Apr-23	6
May-23	31
June-23	30
July-23	31
Aug-23	31
Sep-23	30
Oct-23	31
Nov-23	30

Dec-23	31
Jan-24	31
Feb-24	29
Mar-24	31
Apr-24	30
May-24	31
June-24	30
July-24	31
Aug-24	31
Sep-24	30
Oct-24	31
Nov-24	30
Dec-24	3
Delay Days	589

Total number of delay days	Original Offer Price	Interest	Offer Price including Interest
589	48.88*	7.89	56.77

*The original offer price is as per Regulation 8(2), 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	Nil, since triggering is pursuant to gift
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA	NA
(c)	The highest price paid or payable for any acquisition by the Acquirer during 26 weeks immediately preceding the date of the PA	NA
(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	INR 48.88/-
(e)	Where 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.	Not Applicable, since the equity shares of the Target Company are frequently traded

6.1.8. The Offer Price calculated in terms of Regulation 8(2) of the SEBI (SAST) Regulations including interest for the triggering event pursuant to Transaction II under Regulation 3(2) is as follows: -

Particulars	Details
Last payout date if PA was made on February 07, 2023	May 08, 2023

Last Payout date from the date of PA i.e., September 11, 2024	December 04, 2024
Delay Period	
Month	Days
May-23	23
June-23	30
July-23	31
Aug-23	31
Sep-23	30
Oct-23	31
Nov-23	30
Dec-23	31
Jan-24	31
Feb-24	29
Mar-24	31
Apr-24	30
May-24	31
June-24	30
July-24	31
Aug-24	31
Sep-24	30
Oct-24	31
Nov-24	30
Dec-24	3
Delay Days	575

Total number of delay days	Original Offer Price	Interest	Offer Price including Interest
575	49.22 **	7.75	56.97

**The original offer price is as per Regulation 8(2), 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	Nil, since triggering is pursuant to gift
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA	NA
(c)	The highest price paid or payable for any acquisition by the Acquirer during 26 weeks immediately preceding the date of the PA	NA

(d)	<i>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</i>	INR 49.22/-
(e)	<i>Where 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.</i>	Not Applicable, since the equity shares of the Target Company are frequently traded

6.1.9. The Offer Price calculated in terms of Regulation 8(2) of the SEBI (SAST) Regulations as on the date of making PA, i.e., September 11, 2024 is as follows:

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	NA
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA	INR 128.95/- (Note – 1)
(c)	The highest price paid or payable for any acquisition by the Acquirer during 26 weeks immediately preceding the date of the PA	INR 223.05/- (Note – 1)
(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	INR 235.88/- (Note – 2)
(e)	Where 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.	Not Applicable, since the equity shares of the Target Company are frequently traded

Therefore, The Offer Price of INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the offer price calculated for triggering events pursuant to Transaction I, Transaction II and as on the date of PA in terms of SEBI (SAST) Regulations.

Note 1 – Details of acquisitions by Acquirers and PAC in last 52 weeks prior to the date of Public Announcement

Date	Name	Transaction	Shares Transacted	WAP	VWAP
October 30, 2023	Acquirer 4	Buy	12,000	111.27	13,35,240
November 01, 2023	Acquirer 4	Buy	12,000	115.95	13,91,400
November 03, 2023	Acquirer 4	Buy	2,000	136.24	2,72,480
April 18, 2024	Acquirer 4	Buy	2,000	211.64	4,23,200
April 19, 2024	Acquirer 4	Buy	2,000	223.05	4,46,100
Total			30,000		38,68,420
VWAP for the acquisitions by Acquirers and PAC in last 52 weeks preceding the date of PA					INR 128.95/-
Highest price paid or payable for any acquisition by the Acquirers and PAC during 26 weeks immediately preceding the date of the PA					INR 223.05/-

Note 2 – Details of Volume Weighted Average Price for 60 trading days

VWAP for 60 trading days			
Date	WAP	Volume	VWAP
10-Sep-24	225.18	6000	1,351,080
09-Sep-24	225.00	500	112,500
06-Sep-24	240.43	3,500	841,505
04-Sep-24	242.60	1,000	242,600
03-Sep-24	237.38	3,000	712,140
30-Aug-24	237.00	500	118,500
27-Aug-24	227.17	2,500	567,925
26-Aug-24	217.00	1,000	217,000
23-Aug-24	228.00	2,000	456,000
22-Aug-24	218.04	6,500	1,417,260
21-Aug-24	222.37	1,500	333,555
20-Aug-24	218.20	1,500	327,300
14-Aug-24	229.78	1,000	229,780
13-Aug-24	241.70	500	120,850
12-Aug-24	253.53	1,500	380,295
09-Aug-24	242.99	2,000	485,980
08-Aug-24	231.50	1,500	347,250
07-Aug-24	220.50	1,500	330,750
05-Aug-24	210.00	500	105,000
30-Jul-24	218.50	1,000	218,500
29-Jul-24	220.62	1,500	330,930
25-Jul-24	233.51	2,000	467,020
24-Jul-24	232.16	5,000	1,160,800
23-Jul-24	224.20	1,000	224,200

22-Jul-24	218.75	500	109,375
19-Jul-24	219.55	1,000	219,550
18-Jul-24	220.00	2,000	440,000
15-Jul-24	217.00	500	108,500
11-Jul-24	226.55	1,000	226,550
10-Jul-24	236.15	500	118,075
09-Jul-24	236.10	500	118,050
08-Jul-24	236.10	500	118,050
05-Jul-24	250.80	1,500	376,200
04-Jul-24	252.13	1,000	252,130
03-Jul-24	265.20	2,500	663,000
02-Jul-24	266.56	2,000	533,120
01-Jul-24	259.00	500	129,500
28-Jun-24	253.00	1,000	253,000
27-Jun-24	259.35	500	129,675
25-Jun-24	259.68	1,000	259,680
24-Jun-24	269.50	1,500	404,250
21-Jun-24	262.50	1,000	262,500
20-Jun-24	250.00	500	125,000
19-Jun-24	247.00	500	123,500
18-Jun-24	247.06	4,000	988,240
14-Jun-24	253.71	2,500	634,275
Total		75,000	17,690,940
VWAP for 60 trading days			INR 235.88/-

6.1.10. In view of the parameters considered and presented in table above, in the opinion of the Acquirers along with PAC and the Manager to the Offer, the Offer Price INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

6.1.11. 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.

6.1.12. In the event of further acquisition of Equity Shares of the Target Company by the Acquirers along with PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, it shall not be acquiring any equity shares of the Target Company between one working day prior to the commencement of the tendering period and until the expiry of the tendering period.

6.1.13. If the Acquirers along with PAC acquire equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirers along with PAC shall pay the difference between the highest acquisition price and the Offer Price, to all 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, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021, 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.

- 6.1.14. 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, Acquirers along with PAC shall comply with Regulation 18 of SEBI (SAST) Regulations 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.
- 6.1.15. 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 shareholders.
- 6.1.16. In case of delay in receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations shall be adhered to i.e., extension of time to the Acquirers along with PAC for payment of consideration to the shareholders of the Target Company shall be allowed subject to the Acquirers along with PAC agreeing to pay interest at such rate as may be specified.
- 6.1.17. In terms of the provisions of Regulation 18(11A) of SEBI (SAST) Regulations, if the Acquirers along with PAC would not be able to make payment to shareholders on account of reasons other than delay in receipt of any statutory approval, then the Acquirers along with PAC 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.

6.2. Financial Arrangement

- 6.2.1. The total fund requirement for the Open Offer (assuming full acceptances) i.e. for the acquisition up to 26,75,972 (Twenty Six Lakh Seventy Five Thousand Nine Hundred and Seventy Two) Equity Shares from the Public Shareholders of the Target Company at an Offer Price of INR 236.00/- (Indian Rupees Two Hundred and Thirty Six Only) per fully paid up equity share is INR 63,15,29,392/- (Indian Rupees Sixty Three Crores Fifteen Lakh Twenty Nine Thousand Three Hundred and Ninety Two Only) (the '**Maximum Consideration**').
- 6.2.2. By way of security for performance of obligations by the Acquirers and PAC under SEBI (SAST) Regulations, Acquirers along with PAC has deposited frequently traded and freely transferable equity shares, with appropriate margin, by way of Securities Escrow Agreement dated September 11, 2024 in favor of the Manager to the Offer in terms of regulation 17(3)(c) of SEBI (SAST) Regulations ('Eligible Shares'). The details of Eligible Shares are as under:

Name of the Company	No. of Equity Shares	Closing price as on the date of Public Announcement on BSE	Closing Price as on the date of Public Announcement on NSE	Total Value (on the basis of closing price of NSE)

JTL Industries Limited	12,81,000	229.60	229.77	29,43,35,370
Total				29,43,35,370

- 6.2.3. The aforesaid Eligible Shares conform to the requirements set out in Regulation 9(2) of SEBI (SAST) Regulations, 2011. The Eligible Shares are owned by Acquirers & PAC and have been pledged exclusively in favor of Manager to the Offer with authority to redeem the Eligible Shares and realize the value in accordance with SEBI (SAST) Regulations, 2011. Except the pledge in favor of the Manager to the Offer, for the purpose of this Offer, the Eligible Shares are free from any Encumbrance(s). The pledge on the Eligible Shares have been confirmed in favour of Manager to the Offer by Alankit Assignments Limited. The market value of the Eligible Shares as on the date of Public Announcement i.e. September 11, 2024, is equivalent to INR 29,43,35,370 (Indian Rupees Twenty Nine Crores Forty Three Lakh Thirty Five Thousand Three Hundred and Seventy Only) which is in excess of the minimum requirement of INR 15,78,82,348 (Indian Rupees Fifteen Crores Seventy Eight Lakh Eighty Two Thousand Three Hundred and Forty Eight Only) (i.e. 25% of the Maximum Consideration) in terms of Regulation 17(1) of the SEBI (SAST) Regulations, 2011. In the event of any shortfall in the amount required to be maintained under regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirers along with PAC shall be liable to make good the shortfall.
- 6.2.4. The Acquirers along with PAC, 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 Ground Floor Agarwal, Corp Tower Plot No. 23 Centre Rajendra Place ,New Delhi – 110008, have entered into an Escrow Agreement dated September 11, 2024 for the purpose of the Offer (the '**Offer Escrow Agreement**') in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Offer Escrow Agreement and in accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers has deposited cash of INR 63,15,294/- (Indian Rupees Sixty Three Lakh Fifteen Thousand Two Hundred and Ninety Four Only) in the Escrow Account bearing name and style as '**CPCPL ABC OPEN OFFER ESCROW ACCOUNT**' (the 'Escrow Account'), which is exactly 1% (One Percent) of the Maximum Consideration. The cash deposit in the Escrow Account has been confirmed by the Escrow banker.
- 6.2.5. The Acquirers along with PAC has adequate resources and have made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The additional fund requirement, if any, for acquisition under this Open Offer will be financed through the internal resources of the Acquirers and PAC.

- 6.2.6. In case of upward revision in the Offer price or Offer size, the Acquirer along with PAC shall deposit additional funds in the Offer Escrow Account as required under Regulation 17(2) of the SEBI (SAST) Regulations.
- 6.2.7. The Acquirers along with PAC have authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.8. CA Shubham Aggarwal having membership No. 559984, Proprietor of M/s Shubham Avnish & Associates, Chartered Accountants having office at S.C.O. 10, 3rd Floor, Sector 58, Industrial Area, Mohali (Punjab); Ph. No.: +91-8360614667; Email: shubhamavnishassociates@gmail.com, has certified the net worth of the Acquirers.
- 6.2.9. 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 Acquirers along with PAC to fulfill their 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 shareholders.
- 7.1.2 The Letter of Offer will be dispatched to all the equity shareholders of ABC, whose names appear in its Register of Members as on October 22, 2024, Tuesday the Identified Date.
- 7.1.3 The Offer is subject to the terms and conditions set out in this Draft 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 Copies of PA and DPS are available on the website of SEBI at www.sebi.gov.in and copies of DLOO and LOO will be available on the website of SEBI at www.sebi.gov.in.
- 7.1.5 The Letter of Offer along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.
- 7.1.6 This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4 of this Draft Letter of Offer. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.7 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.
- 7.1.8 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 7.1.9 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).

- 7.1.10 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.
- 7.1.11 All the Equity Shares validly tendered under this Open Offer to the extent of the Offer Size will be acquired by the Acquirers in accordance with the terms and conditions set forth in the PA, DPS, this Draft Letter of Offer and the Letter of Offer.
- 7.1.12 The Acquirers along with PAC or the Manager to the Offer or the Registrar to the Offer shall not be responsible in any manner for any loss of documents during transit (including but not limited to Open Offer acceptance forms, copies of delivery instruction slips, etc.) and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- 7.2 **Locked in shares:** Certain shares of some of members of the Existing Promoters in the Target Company are under lock-in. However, tendering of the said shares is possible, subject to the residual lock-in period in the hand of the Acquirers. Further, we shall ensure that there shall be no discrimination in the acceptance of locked-in and non locked-in shares.
- 7.3 **Persons eligible to participate in the Offer**
Registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares, except the Acquirers, PAC and their persons acting in concert.
- 7.4 **Statutory and other Approvals:**
- 7.4.1 To the best of the knowledge of the Acquirers along with PAC, no statutory approval is required to complete the acquisition of underlying transaction as on the date of this DLOO. 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. Acquirers along with PAC 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 DLOO) before the completion of the Open Offer.
- 7.4.2 Shareholders 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 RBI that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such approvals are not submitted, the Acquirers along with PAC reserve the sole right to reject such Equity Shares tendered in this Offer
- 7.4.3 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target

Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

7.4.4 In terms of the provisions of Regulation 18(11A) of SEBI (SAST) Regulations, if the Acquirers would not be able to make payment to shareholders on account of reasons other than delay in receipt of any statutory approval, the Acquirers 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.

7.4.5 The Acquirers shall complete all procedures relating to the Open Offer including payment of consideration to the 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 Acquirers along with PAC through Stock Exchange Mechanism made available by Stock Exchanges in the form of a separate window (**'Acquisition Window'**), as provided under the SEBI (SAST) Regulations and SEBI circular numbered CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, as further amended by SEBI circular numbered CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 as per further amendment vide SEBI circular numbered SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 read along with SEBI Master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.

8.2. NSE 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 NSE in the form of a separate window (**'Acquisition Window'**).

8.4. The Acquirers has appointed **Nikunj Stock Brokers Limited ('Buying Broker')** to act as buying broker for the Open Offer through whom the purchases and settlement of the shares tendered under the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:

Name: Nikunj Stock Brokers Limited

CIN: U74899DL1994PLC060413

SEBI Registration Number: INZ000169335

Registered Address: A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi – 110007

Contact Person: Mr. Anshul Aggarwal

Tel. No.: +91-9810655378

Email ID: complianceofficer@nikunjonline.com

- 8.5. Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (**'Selling Broker'**), during the normal trading hours of the secondary market during the Tendering Period.
- 8.6. Separate Acquisition window will be provided by NSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares. A separate Acquisition Window will be provided by the stock exchange to facilitate the placing of sell orders.
- 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 Acquirers along with PAC 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 NSE. 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 NSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
 - c) Upon placing the order, the Selling Broker shall provide Transaction Requisition Slip ('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.

The cumulative quantity tendered shall be made available on the website of the NSE (www.nseindia.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 Delivery Instruction Slip ('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) The Public Shareholders holding physical shares and who wish to tender their Equity Shares in this Offer shall approach the relevant Selling Broker and submit the following set of documents for verification:
 - i. Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
 - ii. Original share certificates;
 - iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place;
 - iv. Self-attested copy of the Shareholder's PAN Card (in case of joint holders, PAN card copy of all transferors);
 - v. Any other relevant document such as powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s)); and
 - vi. Self-attested copy of proof of address such as valid Aadhar card, voter ID, passport or driving license.
- b) The Selling Broker(s) should place bids on the exchange platform including the relevant details as specified on the physical share certificate(s). The Selling Broker (s) shall print the TRS generated by the exchange bidding system. The TRS will contain the details of order submitted such as Folio No., Certificate No., Dist. Nos. and number of Equity Shares.
- c) The Selling Broker(s)/Public Shareholder must deliver the share certificates relating to its Equity Shares and other documentation listed in paragraph (a) above along with the TRS

to the Registrar i.e. **Beetal Financial & Computer Services Private Limited** at the address mentioned on the cover page. The envelope should be superscribed '**A B COTSPIN INDIA LIMITED - OPEN OFFER**'. Share certificates for physical shares must reach the Registrar within 2 (two) days of bidding by the Selling Broker.

- d) The Public Shareholders holding physical shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph (a) above are submitted. Acceptance of the physical shares in this Offer shall be subject to verification by the Registrar. On receipt of the confirmation from the Registrar, the bid will be accepted or rejected (as applicable) and accordingly depicted on the exchange platform.
- e) In case any person has submitted physical shares for dematerialization, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

The Public Shareholders holding Shares in Demat mode are not required to fill any Form of Acceptance. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance. Public Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptances along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance. Form of Acceptance will not be sent to the Public Shareholders holding Equity Shares in Demat mode.

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

- a. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- b. A Shareholder may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement.
- c. The Letter of Offer along with Form of Acceptance cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or NSE Website (www.nseindia.com) Merchant Banker website (www.corporateprofessionals.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- d. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client ID number, DP name, DP

ID number, number of shares tendered and other relevant documents such as physical share certificate and Form SH-4 in case of shares being held in physical form. Such shareholders have to ensure that their order is entered in the electronic platform to be made available by NSE before the closure of the Offer.

8.14. **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 (including demat shares, physical shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers along with PAC 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.

As per the recent amendment of SEBI vide its circular numbered SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 read along with SEBI Master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023 and in consultation with Depositories, Clearing Corporations and Stock Exchanges, it has been decided that a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the Annexure. All other procedures shall remain unchanged.

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. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Equity Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Open Offer by the Equity Shareholders holding Equity Shares in the physical form.
- g) 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 Equity Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.
- h) Equity 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.
- i) Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirers along with PAC.
- j) Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Shareholder(s) directly by Registrar to the Offer.
- k) The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- l) 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 is rejected by RBI/Bank, due to any reason,

then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

- m) The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.
- n) 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.
- o) 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 Acquirers along with PAC accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- p) In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers along with PAC for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

8.16. **NOTE ON TAXATION**

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE IT ACT (AS AMENDED BY FINANCE ACT, 2024) AND THE REGULATIONS THEREUNDER.

THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUNSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS.

THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE PUBLIC SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE

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

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

THE SUMMARY ON TAX CONSIDERATIONS IN THIS SECTION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE 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, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES. THE LAW STATED BELOW IS AS PER THE IT ACT.

GENERAL

- a) As the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to STT. STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% of the value of security transacted.
- b) 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 IT Act.
- c) 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 is received or deemed to be received or accrues or arises or deemed to accrue or arise in India). In case of shares of a company, the source of income from shares would depend on the "situs" of such

shares. As per judicial precedents, generally the “situs” of the shares is where a company is “incorporated” and where its shares can be transferred.

- d) 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 IT Act.
- e) Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement (“DTAA”) between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the MLI as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of GAAR and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- f) The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- g) The shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income tax authorities, reporting their income for the relevant year.
- h) The summary of income-tax implications on tendering of listed Equity Shares on the recognised stock exchange in India is set out in the succeeding paras. All references to Equity Shares herein refer to listed Equity Shares unless stated otherwise.

Classification of Shareholders

Public Shareholders can be classified under the following categories:

Resident Shareholders being:

- 1. Individuals, Hindu Undivided Family (“**HUF**”), Association of Persons (“**AOP**”) and Body of Individuals (“**BOI**”)
- 2. Others
 - a) Company
 - b) Other than company

Non-Resident Shareholders being:

- 1. Non-Resident Indians (“**NRIs**”)
- 2. Foreign Institution Investors (FIIs)/ Foreign Portfolio Investors (FPIs)
- 3. Others:
 - a) Company
 - b) Other than company

Classification of Shares:

Shares can be classified under the following two categories:

- a) Shares held as investment (Income from transfer of such shares taxable under the head “Capital Gains”)
- b) Shares held as stock-in-trade (Income from transfer of such shares taxable under the head “Profits and Gains from Business or Profession”). As per the current provisions of the IT Act, unless specifically exempted, 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 trading asset (i.e., stock-in-trade). Shareholders may also refer to Circular No.6/2016 dated February 29, 2016 issued by the Central Board of Direct Taxes (CBDT) in this regard.

Shares held as investment: As per the provisions of the IT Act, where the shares are held as investments (i.e., capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”.

Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains.

Capital gains in the hands of shareholders would be computed as per provisions of section 48 of the IT Act and the rate of income-tax would depend on the period of holding.

Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short term capital gain/STCG” or “long-term capital gain/LTCG”

- a) In respect of Equity Shares held for a period less than or equal to 12 months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“STCG”).
- b) Similarly, where Equity Shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“LTCG”).

Tendering of Shares in the Offer through a Recognized Stock Exchange in India:

Where a transaction for transfer of such Equity Shares (i.e., acceptance under the Open offer) is transacted through a Recognized Stock Exchange and is chargeable to STT, then the taxability will be as under (for all categories of shareholders):

- a) As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding one lakh rupees will be taxed at a rate of 10 percent without allowing benefit of indexation for resident shareholders and at a rate of 10 percent without allowing benefit of indexation and foreign exchange fluctuation for non-resident shareholders, provided the same has been subjected to STT, upon acquisition and sale.

If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by CBDT vide Notification No. 60/2018 dated October 1, 2018 in order to get benefit of taxation at 10% under Section 112A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.

- b) LTCG that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018 as per Section 55 of IT Act.

For computing capital gains under the grandfathering regime, 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 as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.

- c) LTCG, as computed u/s. 112A, will not be liable to tax to the extent not exceeding 1,00,000
- d) Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the Equity Shares):
- i. LTCG will be chargeable to tax at the rate of 20% (plus applicable surcharge and health and education cess) or 10% (plus applicable surcharge and health and education cess) without allowing benefit of indexation, in the case of a non-resident Public Shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
 - ii. In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).

- iii. For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost shall not be available.
 - iv. For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and health and education cess) without indexation. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income tax on such LTCG.
 - v. Long term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for Subsequent eight assessment years, for being set off only against Subsequent years' LTCG, in terms of Section 74 of the IT Act.
- e) As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @ 15% under section 111A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
- f) In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.
- g) Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 15%.
- h) As per Section 70 of the IT Act, short term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
- i) Non-resident shareholder can avail benefits of the DTAA between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed under the relevant DTAA read with MLI as may be in effect, and non-applicability of

GAAR and providing and maintaining necessary information and documents as prescribed under the IT Act.

- j) As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

Investment Funds

Under Section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head “Profits and gains of business or profession” would be exempt from income-tax on fulfilment of certain conditions specified therein. For this purpose, an “Investment Fund” means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorised by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

Shares held as Stock-in-Trade:

- a) If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession.”
- b) Resident Shareholders
 - i. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
 - ii. Domestic companies having turnover or gross receipts not exceeding 400 crores in the relevant financial year as prescribed will be taxable @ 25%.
 - iii. Domestic companies which have opted for concessional tax regime under Section 115BAA will be taxable at 22%.
 - iv. For persons other than stated above, profits will be taxable @ 30%.
 - v. No benefit of indexation by virtue of period of holding will be available in any case

Profits of:

- c) Non-Resident Shareholders: Non-resident shareholders can avail beneficial provisions of the applicable DTAA, read with the MLI, entered into between India and the respective country of which the said shareholder is tax resident, subject to satisfying relevant conditions (including

non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

d) Where DTAA provisions are not applicable:

- i. No benefit of indexation by virtue of period of holding will be available in any case.
- ii. For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.
- iii. For foreign companies, profits would be taxed in India @ 40%.
- iv. For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, surcharge and health and education cess are leviable for resident and non-resident shareholders.

e) **Other Matters:** Further, the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders (other than resident company which has opted for concessional tax regime under Section 115BAA or Section 115BAB of the IT Act). Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India under Sections 90/90A of the IT Act and such foreign company does not have a permanent establishment in India in terms of the DTAA. In case where the said conditions are not satisfied, MAT will be applicable to the foreign company. In case of non-corporate shareholders, applicability of the provisions of Alternative Minimum Tax as per Section 115JC of the IT Act will also need to be analysed depending on the facts of each case.

Tax Deduction at Source

a) Resident Shareholders: In absence of any specific provision under the IT Act, the Acquirer is not required to deduct tax on the consideration payable to the shareholders pursuant to Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India.

b) Non-Resident Shareholders:

- i. In case of FIIs: Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs/FPIs, subject to fulfilment of the following conditions:

- ii. In case of non-resident tax payer (other than FIIs):
- FIIs/FPIs furnishing the copy of the registration certificate issued by SEBI (including for subaccount of FII/FPI, if any);
 - FIIs/FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations and will be liable to pay tax on their income as per the provisions of the IT Act.
 - If the above conditions are not satisfied, FIIs/FPIs may submit a valid and effective certificate for deduction of tax at a nil/lower rate issued by the income tax authorities under the IT Act ("TDC"), along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer shall deduct tax in accordance with such TDC.

In case of non-resident tax payer (other than FIIs):

Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act read with the provisions of the relevant DTAA and MLI, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard.

However, the Acquirer will not be able to deduct income-tax at source on the consideration payable to such non resident shareholders as there is no ability for the Acquirer to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer to the non-resident shareholders.

Since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. The Acquirer believes that the responsibility of withholding/ discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate. The nonresident shareholders must file their tax return in India inter-alia considering gains arising pursuant to this Offer in consultation with their tax advisors.

In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer is entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

Remittance/Payment of Interest:

- a) In case of interest, if any, paid by the Acquirer to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments. In the event, the Acquirer decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorization of the interest, whether as capital gains or as other income). In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer should be indemnified.
- b) The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

Rate of Surcharge and Cess:

As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable. Summary of the same is provided below:

Surcharge:

- i. In case of domestic companies:
Surcharge @ 12% is leviable where the total income exceeds 10 crore and @ 7% where the total income exceeds 1 crore but less than 10 crore for companies not opting for tax regime u/s.

115BAA and 115BAB. In case of domestic companies which are liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable.

- ii. In case of companies other than domestic companies:
Surcharge @ 5% is leviable where the total income exceeds 10 crores.
Surcharge @ 2% where the total income exceeds 1 crore but less 10 crores
- iii. In case of individuals, HUF, AOP, BOI:

Surcharge at the rate of 10% is leviable where the total income exceeds 50 lakhs but does not exceed 1 crore.

Surcharge at the rate of 15% is leviable where the total income exceeds 1 crore but does not exceed 2 crores.

Surcharge at the rate of 25% is leviable where the total income exceeds 2 crores but does not exceed 5 crores.

Surcharge at the rate of 37% is leviable where the total income exceeds 5 crores.

However, for the purpose of income chargeable under section 111A, 112, 112A and 115AD(1)(b) (for income chargeable to tax under the head capital gains), the surcharge rate shall not exceed 15%.

In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds 1 crore.

Cess: Cess Health and Education Cess @ 4% is currently leviable in all cases.

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 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, SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

Note: The CBDT has vide Notification No. 9/2014 dated January 22, 2014 notified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (FPI) Regulations, 2014 as FII for the purpose of Section 115AD of the IT Act.

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. The Net Worth as certified by CA Shubham Aggarwal (Membership No. 559984, Proprietor of M/s Shubham Avnish & Associates, Chartered Accountants having office at S.C.O. 10, 3rd Floor, Sector 58, Industrial Area, Mohali (Punjab); Ph. No.: +91-8360614667; Email: shubhamavnishassociates@gmail.com vide its certificates dated September 11, 2024 and Financials As certified by CA Uma Garg (Membership No.:500058), Partner of M/S Mehtani Associates, Chartered Accountants having office at 598, PLA Hisar – 125001; Ph. No.: +91-9253921095 Email ID mht.asct@gmail.com vide its certificate dated September 11, 2024.
- 9.2. Audited Annual Accounts of the Target Company for last three financial years.
- 9.3. Copy of Escrow Agreement between Acquirers, Manager to the Offer and Yes Bank Limited.
- 9.4. Confirmation from Yes Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulations, 2011.
- 9.5. Copy of Public Announcement filed on September 11, 2024, Wednesday published copy of the Detailed Public Statement which appeared in the Newspapers on September 19, 2024, Thursday, Issue Opening PA and any corrigendum to these, if any.
- 9.6. A copy of the recommendation made by the committee of independent directors of the Target Company published in the newspapers.
- 9.7. A copy of the Observation letter from SEBI.
- 9.8. Copy of Agreement between Acquirers and the Registrar to the Offer.
- 9.9. Consent letter of Registrar to the Offer.
- 9.10. Consent letter of Buying Broker.
- 9.11. Details of securities deposited in favor of Manager to the Offer as the escrow consideration.

10. DECLARATION BY ACQUIRERS ALONG WITH PAC

The Acquirers along with PAC accept full responsibility for the information contained in this Draft Letter of Offer and also for the obligations of Acquirers along with PAC as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. The Acquirers along with PAC would be responsible for ensuring compliance with the concerned Regulations.

For and on behalf of

Sd/-

Abhey Jindal

Acquirer 1

Sd/-

Suvarna Jindal

Acquirer 2

Sd/-

Sanya Jindal

Acquirer 3

Sd/-

Renu Jindal

Acquirer 4

Sd/-

**Shree Jindal Soya
Private Limited**

PAC

Place: New Delhi

Date: September 23, 2024

11. ENCLOSURES

- 11.1. Form of Acceptance cum Acknowledgement
- 11.2. Blank Share Transfer

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(For physical shares being tendered)

(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	: NOVEMBER 06, 2024, WEDNESDAY
OFFER CLOSES ON	: NOVEMBER 20, 2024, 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,

Acquirers along with PACs

C/O BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED

BEETAL House, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062

Dear Sir/s,

OPEN OFFER TO THE SHAREHOLDERS OF A B COTSPIN INDIA LIMITED ('ABC'/ 'TARGET COMPANY') BY MR. ABHEY JINDAL ('ACQUIRER 1'), MRS. SUVARNA JINDAL ('ACQUIRER 2'), MRS. SANYA JINDAL ('ACQUIRER 3') AND MRS. RENU JINDAL ('ACQUIRER 4') ALONG WITH SHREE JINDAL SOYA PRIVATE LIMITED ('PAC') PURSUANT TO SEBI (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 **A B COTSPIN INDIA LIMITED**.

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

I / We, unconditionally Offer to sell to Acquirers along with PAC the following equity shares in ABC held by me/ us at a price of INR 236 (Indian Rupees Two Hundred and Thirty Six Only) per fully paid-up equity share.

1. I/We enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No.....Number of share certificates attached.....			
Representing equity shares			
Number of equity shares held in ABC		Number of equity shares Offered	
In figures	In words	In figures	In words

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1				
2				
3				
Total No. of Equity Shares				

2. I / We confirm that the Equity Shares of ABC which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
3. I / We authorize Acquirers to accept the Equity Shares so offered or such lesser number of equity shares that Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise Acquirers along with PAC to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize Acquire to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
4. 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 Acquire, harmless and indemnified against any loss they or either of them may suffer in the event of Acquirers acquiring these equity shares. I / We agree that Acquirers 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 also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date Acquirers make payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

6. I/We note and understand that the Shares would held in trust by the Registrar until the time Acquirers make payment of purchase consideration as mentioned in the Letter of Offer.
7. 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.
8. I / We irrevocably authorise Acquirers 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 ABC:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with ABC):	

Place: -----	Date: -----
Tel. No(s) : -----	Fax No.: -----

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: -----	
<i>(Savings /Current /Other (please specify))</i>	
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 Acquirers along with PAC is entirely at the discretion of the equity shareholder of ABC.
 - II. Shareholders of ABC to whom this Offer is being made, are free to Offer his / her / their shareholding in ABC for sale to the Acquirers along with PAC, in whole or part, while tendering his / her / their equity shares in the Offer.

ACKNOWLEDGEMENT SLIP

SHARES IN PHYSICAL FORM

OPEN OFFER TO THE SHAREHOLDERS OF A B COTSPIN INDIA LIMITED ('ABC'/ 'TARGET COMPANY') BY MR. ABHEY JINDAL ('ACQUIRER 1'), MRS. SUVARNA JINDAL ('ACQUIRER 2'), MRS. SANYA JINDAL ('ACQUIRER 3') AND MRS. RENU JINDAL ('ACQUIRER 4') ALONG WITH SHREE JINDAL SOYA PRIVATE LIMITED ('PAC') PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Received from Mr. / Ms.....

Ledger Folio No/ -----Number of certificates enclosed under the Letter of Offer dated _____, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1.				
2.				
3.				
Total no. of Equity Shares				

Stamp

Authorised Signatory

Date

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

Registrar to the Offer

Beetal Financial & Computer Services Private Limited

CIN: U67120DL1993PTC052486

SEBI Registration Number: INR000000262

Address: BEETAL House, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062

Contact Person: Mr. Punit Kumar Mittal

Ph. No.: +91-11-29961281, +91-11-26051061, +91-11-26051064

E-mail ID: beetal@beetalfinancial.com , beetalrta@gmail.com