

## LETTER OF OFFER

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

This Letter of Offer (LoF) is being sent to you as Public Shareholder(s) (*as defined below*) of **MADHUVVEER COM 18 NETWORK LIMITED (“Target Company”)**. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer (*as defined below*) / Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares of the Target Company, please hand over this LoF to the purchaser of the Equity Shares or the member of the Stock Exchange through whom the said sale was affected.

### OPEN OFFER (“OFFER”) BY

#### MR. DHRUVIN DAKSHESH SHAH (“ACQUIRER 1”)

**Residing:** 27, Jagannath Park, Jivraj Park Road, Nr. Malav Talav, Octroi Naka, Ahmedabad, Gujarat- 380051, India.  
**Tel. No.:** +91 9099727272 **Mail ID:** [dhruvindds9@gmail.com](mailto:dhruvindds9@gmail.com).

#### MR. SAGAR SAMIR SHAH (“ACQUIRER 2”)

**Residing:** 2-3 SuyogBunglows, Prahladnagar Garden, Ahmedabad-380051, Gujarat, India  
**Tel. No.:** +91 9998933378 **Mail ID:** [sagar@seraphiminc.in](mailto:sagar@seraphiminc.in)  
**(HEREINAFTER JOINTLY CALLED AS THE ‘ACQUIRERS’)**

#### MRS. SHEETAL DAKSHESH SHAH (“PERSONS ACTING IN CONCERT” OR “PAC”)

**Residing:** 1-Ashwaraj Bungalow. Nr. Auda Garden, Opp. Prahladnagar Garden, Anandnagar Road, Satellite, Ahmedabad, Gujarat - 380015, India  
**Tel. No.:** +91 98250 48204 **Mail ID:** [Sheetaldshah99@gmail.com](mailto:Sheetaldshah99@gmail.com).

**Make a Cash Offer to acquire up to 61,62,455 Equity Shares of face value of ₹ 10/- (Rupees Ten) each (‘Offer Shares’) each at a price of ₹ 10/- (Rupees Ten) each representing 65% of the Voting Capital (as defined below) of the Target Company in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares And Takeovers) Regulations, 2011, as amended (“SEBI (SAST) REGULATIONS”) (“OPEN OFFER” / “OFFER”) from the Public Shareholders of**



#### MADHUVVEER COM 18 NETWORK LIMITED (“TARGET COMPANY”)

**Registered Office:** Office no. 812, Anand Mangal-3, Opp Core house, Nr. Hirabag, Nr. Rajnagar Club, Ambavadi, Ahmedabad GJ 380015 IN  
**Tel. No.** +91-9773151363; **E-mail:** [tohealpharmachem@gmail.com](mailto:tohealpharmachem@gmail.com);  
**Website:** [www.mcom18.com](http://www.mcom18.com); **CIN:** L93000GJ1995PLC026244

1. This Offer is being made by the Acquirers along with the PAC pursuant to and in compliance with Regulations 3(1) & 4 of SEBI (SAST) Regulations, 2011 and subsequent amendments thereto for substantial acquisition of shares and control over the Target Company.
2. **Underlying transaction:** This Offer is made by the Acquirers to the Public Shareholders of the Target Company pursuant to Share Purchase Agreement dated September 25, 2023 entered between the Acquirers and the Promoter Seller for the acquisition of Equity Shares, Voting Rights and Control of the Target Company.
3. This offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI SAST Regulations, 2011.
4. As on the date of this LoF, no statutory approvals are required for the proposed open offer. However, the Offer will be subject to all statutory approvals that may become applicable at a later date. The Acquirers / PAC reserves the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the SEBI (SAST) Regulations, 2011 in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused. The Target company has received the in-principle approval from BSE vide letter dated November 13, 2023, for the issue of 1,50,00,000 warrants convertible into 1,50,00,000 equity shares of Rs. 10/- each on Preferential basis.
5. **This offer is not a competing offer as per Regulation 20 of the SEBI (SAST) Regulations, 2011.**

6. If there is any upward revision in the Offer Price by the Acquirers at any time up to 1 (One) Working Day prior to the commencement of the Tendering Period i.e. up to January 29, 2024 or in the case of withdrawal of Offer, the same would be informed by way of the Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer for all the Offer Shares validly tendered anytime during the Tendering Period of the Offer.
7. If there is a competitive bid, then the offer under all subsisting bids shall open and close on the same date.
8. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement / Letter of Offer, shall not be entitled to withdraw such acceptance during the Tendering Period. (Defined below)
9. The procedure for acceptance is set out in paragraph 9 under titled as 'Procedure for Acceptance and Settlement' at page 24 of this Letter of Offer
10. A copy of Public Announcement ("PA"), Detailed Public Statement ("DPS") are available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and DLoF and Letter of Offer ("LoF") will be available on the website of SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in).

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p><b>KUNVARJI FINSTOCK PRIVATE LIMITED</b>  <b>Registered Office:</b> Block B, First Floor, Siddhi Vinayak Towers,  Off S.G. Highway Road, Mouje Makarba, Ahmedabad- 380051  <b>Corporate Office:</b> 1208-20, 12th Floor, Summit Business Bay,  Opp. PVR Cinema, Near Western Express Highway – Metro  Station, Andheri(E), Mumbai - 400093  <b>CIN:</b> U65910GJ1986PTC008979  <b>Contact Person:</b> Mr. Jiten Patel  <b>Tel No.:</b> +91 22 69850000 / +91 79 6666 9000  <b>Email:</b> <a href="mailto:mb@kunvarji.com">mb@kunvarji.com</a>  <b>Investor Grievance ID:</b> <a href="mailto:MB.investorgrievances@kunvarji.com">MB.investorgrievances@kunvarji.com</a>  <b>SEBI Reg. No. :</b> INM000012564</p>	 <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b>  Address: S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali  Caves Road, next to Ahura Centre, Andheri East,  Mumbai – 400 093, Maharashtra  <b>CIN:</b> U99999MH1994PTC076534  <b>Contact Person:</b> Mr Maruti Eate  <b>Tel No.:</b> +91 22 62638200  <b>E-mail Address:</b> <a href="mailto:openoffer@bigshareonline.com">openoffer@bigshareonline.com</a>  <b>SEBI Reg. No. :</b> INR000001385</p>
<b>OFFER OPENS ON: January 30, 2024, Tuesday</b>	<b>OFFER CLOSES ON: February 12, 2024, Monday</b>

### Schedule of Major Activities of the Offer

The schedule of major activities under the offer is set out below:

ACTIVITY	TENTATIVE REVISED DATE AND DAY ***	REVISED DATE AND DAY
PA Date	September 25, 2023 Monday	September 25, 2023 Monday
Publication of DPS in the newspapers	October 04, 2023 Wednesday	October 04, 2023 Wednesday
Filing of the DLoF with SEBI	October 11, 2023 Wednesday	October 11, 2023 Wednesday
Last date for a competing offer *	October 26, 2023 Thursday	October 26, 2023 Thursday
Identified Date**	November 06, 2023 Monday	January 15, 2024 Monday
Date by which LOF will be dispatched to the shareholders	November 13, 2023 Monday	January 22, 2024 Monday
Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Public Shareholders for this Offer	November 17, 2023 Friday	January 25, 2024 Thursday
Last date for revising the Offer Price / Offer Size	November 20, 2023 Monday	January 29, 2024 Monday
Date of commencement of Tendering Period (Offer Opening Date)	November 21, 2023 Tuesday	January 30, 2024 Tuesday
Date of expiry of Tendering Period (Offer Closing Date)	December 05, 2023 Tuesday	February 12, 2024 Monday
Date by which all requirements including payment of consideration would be completed	December 19, 2023 Tuesday	February 27, 2024 Tuesday
Post offer Advertisement	December 26, 2023 Tuesday	March 05, 2024 Tuesday

\*There has been no competing offer as of the date of this Letter of Offer.

\*\***Identified Date** is only for the purpose of determining the Equity Shareholders of the Target Company as of such date to whom the Letter of Offer would be sent by Email / Post. It is clarified that all the shareholders holding Equity Shares of the Target Company (registered or unregistered) (except the Acquirer, Sellers and promoter and promoter group of the Target Company) are eligible to participate in this Offer any time before the closure of this Offer.

\*\*\*The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of statutory/regulatory approvals and may have to be revised accordingly.

## **RISK FACTORS**

Given below are the risks related to the Underlying Transaction, proposed offer and those associated with Acquirers and PAC and are not in relation to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of all the risks involved in the participation by Public Shareholders in this Offer, or in association with the Acquirers and the PAC, but are merely indicative in nature. Public Shareholders are advised to consult their stockbrokers, legal, financial, tax, investment or other consultants and advisors, for understanding and analyzing all risks associated with respect to their participation in this Offer:

### **A. RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION AND PROPOSED OFFER:**

- 1) The Offer is subject to the compliance of terms and conditions as mentioned under Share Purchase Agreement (“SPA”) dated September 25, 2023. In terms of Regulation 23(1) of the SEBI Takeover Regulations if such conditions are not satisfactorily complied with, the Offer would stand withdrawn.

### **B. RISK FACTORS RELATING TO THE PROPOSED OFFER:**

- 1) As on the date of this LoF, no statutory approvals are required for the proposed open offer. However, the Offer will be subject to all statutory approvals that may become applicable at a later date. The Acquirers / PAC reserves the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the SEBI (SAST) Regulations, 2011 in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused. The Target company has received the in-principle approval from BSE vide letter dated November 13, 2023, for the issue of 1,50,00,000 warrants convertible into 1,50,00,000 equity shares of Rs. 10/- each on Preferential basis.
- 2) This Offer is a triggered / mandatory offer in terms of Regulations 3(1) & 4 of SEBI (SAST) Regulations, 2011.
- 3) The Open Offer is made under the SEBI (SAST) Regulations to acquire up to 61,62,455 Equity Shares representing 65% of the Voting Capital, from the Public Shareholders of the Target Company. If the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the Offer Size, then the Equity Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from a Public Shareholders shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (One) only, subject to acquisition of a maximum Equity Shares. Accordingly, there is no assurance that all Equity Shares tendered by the Public Shareholders in the Open Offer will be accepted.
- 4) The information pertaining to the Target Company contained in the PA or DPS or this DLoF or any other advertisement / publications made in connection with the Offer has been compiled from information published or provided by the Target Company or the Sellers, as the case may be, or publicly available sources. The Acquirers and PAC does not accept any responsibility with respect to any misstatement by the Target Company and / or the Sellers in relation to such information.
- 5) This LoF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LoF residing in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or PAC or the Manager to the Offer to any new or additional registration requirements. This LoF does not in any way constitute an offer to purchase or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.
- 6) In the event that either (a) the regulatory approvals are not received in a timely manner or (b) there is any litigation to stay the Offer; or (c) SEBI instructs the Acquirers not to proceed with the Offer, then the offer process may be delayed beyond the schedule of activities indicated in this LoF. Consequently, the payment of consideration to the Public Shareholders of Target Company, whose Equity Shares have been accepted in the Offer as well as the return of Equity Shares not accepted by Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to

Acquirer for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

- 7) The Equity Shares tendered in this Offer may be held in trust by the Clearing Corporation / Registrar to the Offer until the completion of the Offer formalities and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares during such period. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impacted the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- 8) Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers, PAC and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this LoF.
- 9) The Acquirers makes no assurance with respect to any decision by the Public Shareholders on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- 10) The Acquirers, PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the LoF / DLoF / DPS / PA and anyone placing reliance on any other sources of information (not released by Acquirer) would be doing so at his / her / its own risk.
- 11) Public Shareholders should note that those who have tendered Equity Shares in acceptance of the Offer shall not be entitled to withdraw the Equity Shares tendered even in the event of a delay in the acceptance of the Equity Shares under the Offer and / or the dispatch of consideration.
- 12) This LoF has not been filed, registered or approved in any jurisdiction outside India. Recipients of the LoF who are resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to applicable laws or regulations or would subject the Acquirers, PAC or the Manager to the Offer to any new or additional registration requirements.

**C. RISK RELATING TO THE ACQUIRERS AND PAC:**

- 1) Neither the Acquirers, PAC nor the Manager to the Offer make any assurance with respect to the continuation of past trends in the financial performance or future financial performance of the Target Company and expressly disclaim any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Offer.
- 2) Neither the Acquirers, PAC nor the Manager to the Offer can provide any assurance with respect to the market price of the Equity Shares, before, during or after the Offer and each of them expressly disclaim any responsibility or obligation of any kind (except as required by applicable laws) with respect to any decision by any Public Shareholder regarding whether or not to participate in the Offer.
- 3) The Acquirers, PAC nor the Manager to the Offer make no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in the Target Company.
- 4) For the purpose of disclosures in the LoF, all information relating to the Target Company has been obtained from publicly available sources or from the Target Company. All information relating to the Current Promoter and Promoter Group has been obtained from the Promoter and Promoter Group. The accuracy of such details of the Target Company and the Current Promoter and Promoter Group have not been independently verified by the Acquirers, PAC and the Manager.
- 5) Under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Rule 19A of Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR, 1957"), the Target Company is required to maintain at least 25% public shareholding (as determined in accordance with SCRR, 1957) on a continuous basis. Pursuant to the Open Offer and the transactions contemplated in the SPA, the Acquirers and/or the PACs would be in compliance with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e., the public shareholding shall not fall below 25%.

**The risk factors set forth above, pertains to this 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 Public Shareholder in the Offer, but are only indicative in nature. Public Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analyzing all the risks with respect to their participation in the Offer.**

**CURRENCY OF PRESENTATION**

- 1) In this LoF, all references to “Rs.” or “₹” are references to the Indian Rupee(s), the official currency of India. Throughout this LoF, all figures have been expressed in “million”, “thousand”, “lakh” or “crore” unless otherwise specifically stated.
- 2) In this LoF, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and / or regrouping.

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## 1. DEFINITIONS

Sr. No.	Abbreviations	Particulars
1.	Acquirers	Mr. Dhruvin Dakshesh Shah ('Acquirer 1') and Mr. Sagar Samir Shah ('Acquirer 2')
2.	Board of Directors	The Board of Directors of Madhuveer Com 18 Network Limited
3.	Book Value Per Equity Share	Net worth / Number of outstanding Equity Shares
4.	BSE	BSE Limited
5.	Buying Broker	Ratnakar Securities Private Limited
6.	Companies Act	The Companies Act, 2013 as amended from time to time and amendments thereof.
7.	CDSL	Central Depository Services (India) Limited
8.	CIN	Corporate Identity Number
9.	Detailed Public Statement or DPS	Detailed Public Statement in connection with this Offer, published on behalf of the Acquirers in newspaper on October 4, 2023
10.	DIN	Director Identification Number
11.	DP	Depository Participant
12.	Draft Letter of Offer/ DLoF	Draft Letter of Offer dated October 11, 2023 filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations, 2011
13.	EPS	Profit after Tax / Number of Equity Shares issued
14.	Escrow Agreement	Escrow Agreement dated September 25, 2023 between Acquirers, Manager to the Offer and the Escrow bank
15.	Escrow Bank	Kotak Mahindra Bank Limited dealing through its branch offices at Nariman Point, Mumbai, India
	Equity Shares/ Shares	Fully paid-up Equity Shares of the Target Company, having face value of ₹ 10/- each, unless specified otherwise
16.	FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time and amendment thereof.
17.	Issued, Subscribed and Paid-up Share Capital	₹ 9,48,07,000 /- comprising 94,80,700 Equity Shares of ₹ 10/- each of the Target Company
18.	Identified Date	Monday, January 15, 2024 i.e. the date falling on the 10 <sup>th</sup> working day prior to the commencement of the Tendering Period for the purpose of identifying eligible shareholders to whom the Letter of Offer will be sent.
19.	Letter of Offer/ LoF	Letter of Offer dated January 19, 2024 filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations, 2011
20.	Manager to the Offer or Merchant Banker	Kunvarji Finstock Private Limited
21.	N.A.	Not Available/Not Applicable
22.	NSE	The National Stock Exchange of India Limited
23.	NRI	Non Resident Indian
24.	Offer or The Offer or Open Offer	Open Offer for acquisition of up to 61,62,455 Equity Shares of face value of ₹ 10/- (Rupees Five Only) each being 65% of the Voting Capital of Target Company at a price of ₹ 10/- (Rupees Ten Only) per Equity Share, payable in cash.
25.	Offer Period	The period between the date on which the SPA was executed (i.e. on September 25, 2023) and the date on which the payment of consideration to the Public Shareholders who have accepted the Offer is made
26.	Offer Price	₹ 10/- (Rupees Ten Only) per Equity Share, payable in cash
27.	Offer Size	61,62,455 Equity Shares of face value of ₹ 10/- (each representing 65% of the Voting Capital of the Target Company)
28.	Persons Deemed To Be Acting In Concert" or PAC	Mrs. Sheetal Dakshesh Shah.



Sr. No.	Abbreviations	Particulars
29.	PAT	Profit After Tax
30.	Persons eligible to participate in the offer	All owners (registered or unregistered) of Equity Shares of the Target Company who own the shares at any time before the Closure of the Tendering Period , except the Acquirers and PAC, and parties to the SPA.
31.	Public Announcement or PA	Public Announcement dated September 25, 2023 submitted to BSE Limited and SEBI and Target Company on September 25, 2023 and sent to the Target Company
32.	Public Shareholders	All the Equity Shareholders of the Target Company other than (i) the Acquirers, (ii) the parties to the Share Purchase Agreement, and (iii) persons deemed to be acting in concert with parties at (i) and (ii) above, in compliance with the provisions of Regulation 7(6) of the SEBI (SAST) Regulations, 2011
33.	Registrar or Registrar to the Offer	Bigshare Services Private Limited
34.	RBI	The Reserve Bank of India
35.	Return on Net Worth	(Profit After Tax / Net Worth) *100
36.	SEBI Act	Securities and Exchange Board of India Act, 1992 and amendment thereof as amended from time to time
37.	SEBI	Securities and Exchange Board of India
38.	SEBI (LODR) Regulations, 2015	SEBI Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereof
39.	SEBI (SAST) Regulations, 2011	SEBI Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof
40.	SCRR, 1957	Securities Contracts (Regulation) Rules, 1957 and amendment thereof.
41.	Selling Shareholders / Promoter Seller / Seller	Mr. Machchhar Yogendra Harilal.
42.	SPA	Share Purchase Agreement
43.	Tendering Period	Tuesday, January 30, 2024 to Monday, February 12, 2024
44.	Target Company	Madhuveer Com 18 Network Limited
45.	Underlying Transaction	The transaction contemplated under the SPA dated September 25, 2023.
46.	Voting Capital	The fully diluted Equity Share Capital and voting share capital of the Target Company as of the 10 <sup>th</sup> (Tenth) working day from the closure of the Tendering Period
47.	Working Day	Working Days of SEBI

*Note: All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI (SAST) Regulations, 2011 unless specified. In this Letter of Offer, any reference to the singular will include the plural and vice-versa.*

## **2. DISCLAIMER CLAUSE**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF DLOF WITH SEBI SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DLOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS, 2011. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS OR OF THE COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LOF , THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER (KUNVARJI FINSTOCK PRIVATE LIMITED) HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED OCTOBER 11, 2023. TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

### **2.1 GENERAL DISCLAIMER**

This LoF together with the PA dated September 25, 2023 and the DPS that was published on October 04, 2023 in connection with the Offer, has been prepared for the purposes of compliance with SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the delivery of this DLOF and/or the LOF, under any circumstances, create any implication that there has been no change in the affairs of the Target Company and /or the Acquirers and /or the PAC, since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirers and the PAC are under any obligation to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The LoF shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the LoF by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this DLoF and/or the LoF under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them, and shall be construed by them as being sent for information purposes only. Accordingly, no such Public Shareholder may tender his, her or its Equity Shares in this Offer in such jurisdiction.

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

### 3. DETAILS OF THE OFFER

#### 3.1 Background of the Offer

3.1.1 This Offer is mandatory offer made in accordance with the provisions of Regulations 3(1) & 4 of SEBI (SAST) Regulations, 2011 pursuant to the execution of the SPA.

3.1.2 On September 25, 2023, the Acquirers and Selling Shareholder had entered into the SPA for acquisition of 1,72,800 Equity Shares representing 1.82% of the Voting Capital of Target Company at a price of ₹ 10/- (Rupees Ten only) per Equity Share aggregating to ₹ 17,28,000/-, payable in cash along with acquisition of control over the Target Company.

3.1.3 The details of the Sellers under the Share Purchase Agreement are as follows:

	Name of Promoter Selling Shareholders	Nature of Entity	Part of Promoter/ Promoter Group (Yes/No)	Details of Equity Shares/ Voting Rights held by the Selling Shareholders			
				Pre Transaction*		Post Transaction	
				No. of Equity Shares	%	No. of Equity Shares	%
1.	Machchhar Yogendra Harilal	Individual	Yes	1,72,800	1.82	Nil	Nil
<b>Total</b>				<b>1,72,800</b>	<b>1.82</b>	<b>Nil</b>	<b>Nil</b>

*\*The difference, if any, in the percentage is due to rounding-off.*

3.1.4 The prime objective of the Acquirers for the acquisition of Equity Shares is that the Target Company is having the main object relating to film productions, film making and the acquirers are exploring to enter into these area of activities and therefore willing to acquire the control and become the promoters of the Target Company.

3.1.5 The Target Company is looking to expand its area of business and also in need of capital for its future expansion in this line of business. The Target Company is, therefore, proposing to issue Warrants on preferential basis to Acquires and other public investors. The Target Company is exploring to acquire the stake in other entertainment companies and the Acquirers shall support the Target Company to achieve its goal through their managerial experience and fund support.

3.1.6 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

#### 3.1.7 The salient features of the Share Purchase Agreement are as follows:

- 1 The Acquirers shall pay to the Promoter Seller a consideration for selling the Sale Shares to the Acquirers at a rate of ₹ 10/- (Rupees Ten Only) per Equity Share resulting in an aggregate consideration ₹ 17,28,000/- (Rupees Seventeen Lakhs Twenty-Eight Thousand Only).
- 2 The Acquirers and Promoter Seller hereto confirm that the price aforementioned is a negotiated price and is not based on any other factor including the market price.
- 3 The Acquirers and Promoter Seller to the transaction recognize that the acquisition of the said Sale Shares is the subject matter of SEBI (SAST) Regulations, 2011 (SAST Regulations) and accordingly the acquisition shall be given effect only after due compliance of the SAST Regulations.
- 4 The Acquirers shall pay the Purchase Consideration to the Promoter Seller after completion of the Offer Period. No amount towards purchase consideration is paid at the time of execution of the SPA.
- 5 The Acquirers and Promoter Seller shall indemnify and keep indemnified the other, from and against all losses, liabilities, damages, costs and expenses that may be incurred or suffered by the other, arising from breach or default in performance or fulfillment by them or by any of its nominees, of any of the obligations, provisions, covenants, representation and warranties set forth in this till the date of completion of open offer;

6 The Acquirers and Promoter Seller agree to co-operate and act in good faith, fairness and equity as between themselves by exclusively collaborating with each other and for mutual benefit.

3.1.8 The Recommendations of the Committee of Independent Directors as constituted by the Board of Directors of the Target Company for the Offer will be published at least 2 (Two) Working Days before the commencement of the Tendering Period, in the same newspapers where the Detailed Public Statement was published and a copy whereof shall be sent to SEBI, BSE and Manager to the Offer and in case of a competing offer/s to the manager/s to the Offer for every competing offer/s.

3.1.9 In terms of the Special Resolution passed by the Members of the Company at the Extraordinary General Meeting ('EGM') held on October 25, 2023, and in accordance with the In-principal Approval granted by BSE Limited on November 13, 2023, the Board of Directors of the Company, at their meeting held on November 27, 2023, approved the allotment of 1,50,00,000 (One Crore Fifty Lakhs) Convertible Equity Warrants ('Warrants') at an issue price of ₹ 10/- (Rupees Ten Only) per warrant on a preferential basis. Out of the 1,50,00,000 Warrants, 56,60,000 and 43,40,000 Warrants were allotted to Mr. Dhruvin Dakshesh Shah ('Acquirer 1') and Mr. Sagar Samir Shah ('Acquirer 2') respectively ('Preferential Issue'). The remaining 50,00,000 Warrants were allotted to the Public Category. Each Warrant is convertible into one Equity Share of the Target Company.

3.1.10 Further, the issuance of warrants is not the underlying transaction. Hence, the Acquirers and PAC undertakes that they are familiarized with the SEBI Takeover Regulations and undertake to comply with all the applicable provisions of the said regulations if conversion of warrants into Equity shares triggers an obligation to make an open offer.

### 3.2 Details of the Proposed Offer

3.2.1 In accordance with Regulations 13(1) and 15(1) of SEBI (SAST) Regulations, 2011, the PA was submitted on September 25, 2023 by the Manager to the Offer, for and on behalf of the Acquirers and PAC to BSE, SEBI and Target Company.

3.2.2 The DPS dated October 04, 2023, published in the following newspapers in accordance with the provisions of Regulation 14(3) of the SEBI (SAST) Regulations, 2011:

Publication	Editions	Date & Day
Financial Express (English)	All Editions	Wednesday, October 04, 2023
Financial Express (Gujarati)	Gujarati Edition	Wednesday, October 04, 2023
Jansatta (Hindi)	All Editions	Wednesday, October 04, 2023

**A copy of the DPS has been filed with BSE and sent to SEBI and the Target Company on October 04, 2023. A copy of DPS is also available on the SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)) and BSE's website ([www.bseindia.com](http://www.bseindia.com)).**

3.2.3 The Acquirers have made this Offer in terms of SEBI (SAST) Regulations, 2011 to the Public Shareholders of the Target Company to acquire up to 61,62,455 fully paid up Equity Shares representing 65% of the Voting Capital of Target Company at ₹ 10/- (Rupees Ten only) each in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.

3.2.4 As of date of this LoF, the Target Company doesn't have:

- Any partly paid up shares in the Target Company.
- Options of fully or partly convertible debentures/preference shares/ employee stock options etc., which are convertible into Equity Shares at a later stage.
- Equity Shares which are forfeited or kept in abeyance.

3.2.5 Currently, none of the equity shares of the Target Company are under lock-in.

3.2.6 There is no differential pricing in the Offer.

3.2.7 This is not a competitive bid in terms of the provisions of Regulation 20 of the SEBI (SAST) Regulations, 2011.

3.2.8 The Offer Price has been arrived in accordance with Regulation 8(2) of the SEBI (SAST) Regulations, 2011. Assuming full acceptance of the Offer, the total consideration payable by the Acquirers in accordance with the SEBI (SAST) Regulations, 2011 will be the Maximum Consideration.

- 3.2.9 This Offer is made to all the Public Shareholders of the Target Company except the Acquirers and PAC in terms of provision of the regulation 7(6) of SEBI (SAST) Regulations, 2011.
- 3.2.10 This Offer is not a conditional offer and is not subject to any minimum level of acceptance from the Public Shareholder. Acquirers shall accept the Equity Shares of the Target Company tendered in valid form in terms of this Offer up to a maximum of 61,62,455 fully paid-up Equity Shares being 65% of the Voting Capital of the Target Company at ₹ 6,16,24,550/- (Rupees Six Crore Sixteen Lakh Twenty Four Thousand Five Hundred Fifty Only).
- 3.2.11 The Acquirers has not acquired any shares of Target Company after the date of PA i.e. September 25, 2023 and up to the date of LoF. However, PAC holds 3,60,360 Equity Shares carrying voting rights representing 3.80% of the Voting Capital of the Target Company.
- 3.2.12 The Public Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all lien, charges and encumbrance. The Sale Shares will be acquired, subject to such Sale Shares being validly tendered in this Open Offer, together with all the rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof and in accordance with the terms and conditions set forth in the PA, the DPS and as will be set out in the DLoF, and the tendering Public Shareholders shall have obtained all necessary consents required by them to Tender the Offer Shares.
- 3.2.13 The Manager to the Offer does not hold any Equity Shares in the Target Company as on the date of this LoF. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.
- 3.2.14 Under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Rule 19A of Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR, 1957"), the Target Company is required to maintain at least 25% public shareholding (as determined in accordance with SCRR, 1957) on a continuous basis. Pursuant to the Open Offer and the transactions contemplated in the SPA, the Acquirers and/or the PACs would be in compliance with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e., the public shareholding shall not fall below 25%.
- 3.2.15 Upon completion of this Offer, *assuming full acceptances*, the Acquirers along with PAC will hold 66,95,615 Equity Shares representing 70.62% of the Voting Capital of the Target Company as on the tenth working day after the closure of the Tendering Period.
- 3.2.16 If the Acquirers / PAC acquire Equity Shares of the Target Company during the period of 26 (Twenty-Six) Weeks after the tendering period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose offer Shares have been accepted in the offer within 60 (Sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011 or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021, including subsequent amendments thereto, or open market purchases made in the ordinary course on the Stock Exchange, not being negotiated acquisition of Equity Shares of the Target Company whether by way of bulk deals, block deals or in any other form..
- 3.2.17 The payment of consideration shall be made to all the Public Shareholders, who have tendered their Equity Shares in acceptance of the offer within 10 (Ten) Working Days of the expiry of the Tendering Period. Credit for consideration will be paid to the Public Shareholders who have validly tendered Equity Shares in the Offer by crossed account payee cheques/pay order/demand drafts/electronic transfer. It is desirable that Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/demand draft/pay order.
- 3.3 Object of the acquisition / offer**
- 3.3.1 The prime objective of the Acquirers for the acquisition of Equity Shares is that the Target Company is having the main object relating to film productions, film making and the acquirers are exploring to enter into these area of activities and therefore willing to acquire the control and become the promoters of the Target Company.
- 3.3.2 The Acquirers may at its discretion seek to effect changes to the Board of Directors of the Target Company, in accordance with applicable laws (including, without limitation, the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and Regulation 24 of the SEBI (SAST) Regulations, 2011. No proposal in this regard has been finalized as of the date of this LoF.



- 3.3.3 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011, Acquirers and PAC does not currently have any intention to alienate, restructure, dispose of or otherwise encumber any assets of Target Company in the succeeding 2 (Two) years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company. Notwithstanding anything contained herein and except with the prior approval of the Shareholders of Target Company through a special resolution passed, by way of postal ballot in terms of regulation 25(2) of the SEBI (SAST) Regulations, 2011 and subject to the provisions of applicable laws as may be required.
- 3.3.4 The Acquirers for the acquisition of Equity Shares is to have substantial holding of Equity Shares, voting rights and control of the Target Company. On the completion of the underlying transactions of the Open Offer, the Acquirer would look to further expand the business and drive the next growth phase of the Target Company.
- 3.3.5 Pursuant to the completion of Open Offer, the Acquirers and PAC shall be classified as the Promoters of the Target Company and the Promoter Seller/present Promoters and Promoter Group will be reclassified as public in accordance with the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 4. BACKGROUND OF ACQUIRERS AND PAC

##### 4.1 INFORMATION ABOUT THE ACQUIRER 1 - MR. DHRUVIN DAKSHESH SHAH

1. **Mr. Dhruvin Dakshesh Shah** is Indian Resident, having residential address at 27, Jagannath Park, Jivraj Park Road, Nr. Malav Talav, Octroi Naka, Ahmedabad, Gujarat- 380051. His mobile number is +91 9099727272 and his email id is [dhruvindds9@gmail.com](mailto:dhruvindds9@gmail.com).
2. He holds Bachelor of Fine Arts (BFA) in Acting for film from the New York Film Academy (Los Angeles).
3. He is having 6 years of experience in the field of production house and possesses time management skills and customer-radiations abilities.

##### 4.2 INFORMATION ABOUT THE ACQUIRER 2 - MR. SAGAR SAMIR SHAH

1. **Mr. Sagar Samir Shah** is Indian Resident, having residential address at 2-3 Suyog Bungalows, Prahladnagar Garden, Ahmedabad-380051, Gujarat. His mobile number is +91 9998933378 and his email id is [sagar@seraphiminc.in](mailto:sagar@seraphiminc.in).
2. He holds Masters' in Sustainable Waste Management, Masters' in Biotechnology. Further, he is pursuing Executive Degree in Fintech and Block Chain Technology IIM, Calcutta.
3. He is having more than 8 years of experience in the field of Fintech and financial technology.

##### 4.3 INFORMATION ABOUT THE PAC - MRS. SHEETAL DAKSHESH SHAH

1. **Mrs. Sheetal Dakshesh Shah** is Indian Resident, having residential address at 1-Ashwaraj Bungalow. Nr. Auda Garden, Opp. Prahladnagar Garden, Anandnagar Road, Satellite, Ahmedabad, Gujarat - 380015. Her mobile number is +91 98250 48204 and her email id is [Sheetaldshah99@gmail.com](mailto:Sheetaldshah99@gmail.com).
2. She is a Bachelor of Commerce.
3. She is having 30 years of experience of Administration in Retail and Salon Business.
4. She is the Mother of the Acquirer 1.

##### 4.4 OTHER DETAILS OF THE ACQUIRERS AND PAC:

Name(s) of the Companies/ LLP in which Acquirers and PAC holds Directorship:

Sr. No.	Names	Name of the Companies
1.	Mr. Dhruvin Dakshesh Shah (Acquirer 1)	1. Parshva Texchem (India) Private Limited 2. Wildwoods Resorts and Realties Private Limited 3. Navkar Fiscal Services Private Limited 4. Navkar Events Private Limited 5. 24x7 Fitness Private Limited 6. Shukra Pharmaceuticals Limited
2.	Mr. Sagar Samir Shah (Acquirer 2)	1. Gujchem Distillers India Limited 2. Sera Investments & Finance India Limited

Sr. No.	Names	Name of the Companies
		3. Seraphim Ventures Private Limited 4. Sera Code Private Limited. 5. Seltron Resource Solutions LLP
3.	Mrs. Sheetal Dakshesh Shah (PAC)	1. Meghvarsha Securities Private Limited 2. Navkar Events Private Limited 3. Parshva Texchem (India) Private Limited 4. Seher Retail Private Limited.

- 4.5 The Acquirers does not hold any Equity Shares of the Target Company and has not acquired any Equity Share of the Target Company during the 12 (Twelve) months period prior to the date of Public Announcement.
- 4.6 PAC holds 3,60,360 Equity Shares carrying voting rights representing 3.80% of the Voting Capital of the Target Company.
- 4.7 The Net worth of the Acquirer 1 as of July 31, 2023 is ₹. 16.91 Crores and the same is certified by Mr. Fenil Samirkumar Shah, Chartered Accountant, Partner of M/s. F C N & Associates, having its office at B-1103, Sivanta The Business Park, Opp B.O.B., Pritamnagar, Paldi, Ahmedabad-7 (Membership No.: 181805) vide his certification dated August 23, 2023.
- 4.8 The Net worth of the Acquirer 2 as of June 30, 2023 is ₹. 8.65 Crores and the same is certified by Mr. Ashit Shah, Chartered Accountant, Proprietor of M/s. Ashit N. Shah & Co., having its office at 1, Shantinath Appt, Shantisadan Society, B/h. Doctor House. Ellisbridge, Ahmedabad-380 006. (Membership No.: 036857) vide his certification dated July 26, 2023.
- 4.9 The Acquirers and PAC are neither related and nor have any association / relationship with the Target Company / existing Promoters.
- 4.10 The Acquirers and PAC have no interest in the Target Company except as mentioned in Point no. 4.6.
- 4.11 The Acquirers and PAC are not part of any group.
- 4.12 The Acquirers and PAC hereby confirm that they have not been banned or prohibited by SEBI from accessing the stock market or dealing in securities.

## 5. DECLARATIONS BY ACQUIRERS AND PAC

- 5.1 The Acquirers and PAC have confirmed that they are not categorized as a “Willful Defaulter” in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011. They further confirmed that the Acquirers and PAC and other companies, in which it is the promoter and/or director, are not appearing in the willful defaulter’s list of the Reserve Bank of India.
- 5.2 The Acquirers and PAC and the other companies, in which they are the promoter and/or director, have not been prohibited from assessing the capital market under any order/direction passed by SEBI.
- 5.3 Based on the information available, the Acquirers and PAC have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018) as per Regulation 2(1)(ja) of SEBI (SAST) Regulations, 2011.
- 5.4 As on the date of this LOF, the Acquirers do not hold any Equity Shares directly or indirectly in the Target Company. However, PAC holds 3,60,360 Equity Shares carrying voting rights representing 3.80% of the Voting Capital of the Target Company.
- 5.5 PAC undertakes that she will not sell the Equity Shares of the Target Company during the Offer period in terms of Regulation 25(4) of SEBI (SAST) Regulations.
- 5.6 The Acquirers and PAC are not a director on the board of the Target Company.
- 5.7 The Acquirers along with PAC will comply with necessary provisions of Chapter V of the SEBI (SAST) Regulations, 2011 as and when applicable.



- 5.8 The Acquirers and PAC undertakes that if they acquire any Equity Shares of the Target Company during the Offer period, they will inform to the Stock Exchange and the Target Company within 24 hours of such acquisitions and they will not acquire any Equity Shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period ("TP") and until the closure of the TP in accordance with Regulation 18(6) of SEBI (SAST) Regulations, 2011.
- 5.9 The Acquirers and PAC undertakes that they are familiarized with the SEBI Takeover Regulations and undertake to comply with all the applicable provisions of the said regulations if conversion of warrants into Equity shares triggers an obligation to make an open offer.

## **6. BACKGROUND OF THE TARGET COMPANY – MADHUEVER COM 18 NETWORK LIMITED**

- 6.1 The Target Company was incorporated on June 7, 1995 with name "Toheal Pharmachem Limited" now known as "Madhuveer Com 18 Network Limited" bearing CIN: L93000GJ1995PLC026244. The Registered Office of the Target Company is situated at Office no. 812, Anand Mangal-3, Opp Core house, Nr. Hirabag, Nr. Rajnagar Club, Ambavadi, Ahmedabad GJ 380015 IN, India, Tel. No. +91-9773151363, Email: [tohealpharmachem@gmail.com](mailto:tohealpharmachem@gmail.com), Web: [www.mcom18.com](http://www.mcom18.com).
- 6.2 The Equity Shares of the Target Company are presently listed on the BSE Limited having the symbol 'MADHUEVER', script code 531910 and the ISIN of Equity Shares of the Target Company is INE312M01016. The equity shares of the Company are listed Status under 'XT' Category in BSE.
- 6.3 The Target Company is into Media and Entertainment (M&E).
- 6.4 The Target Company produce, buy, sell, import, export or otherwise deal in cinematographic films, television films, video films and video cassettes and to establish, purchase, take on lease or hire or otherwise acquire and maintain and to sell, give on lease or hire studios, laboratories, cinemas, picture places, halls, theatres, etc. for production, processing and printing of films and to carry on the business of exhibiting and distributing cinematographic films, television films, video films and acquire or selling rights therein and to act as manufacturers, distributors, purchasers and sellers of all kinds of films and to produce and distribute motion pictures and to act as distributors and exhibitors of motion pictures produced by other companies and to carry on the business of film manufacturers, film apparatus manufacturers, film producers, both sound and silent, hippodrome and circus proprietors, mana picture places and studios and to carry on the business of letting or subletting the use of cinema hall, theatres, picture, places, studios or other machinery, apparatus, building or structure of the company for the purpose use, exhibitions, display of films, dramatic or theatrical performances, concerts or other entertainment, of amusements or objects allied to or of similar kinds as of the company and to provide for similar kinds as of the company and to provide for the production, directions, exhibitions, representation display, whether by mechanical means or otherwise of plays, open air or other theatrical performances, operas, vaudevilles, ballets, pantomime, juggling, mesmeric, yogic hypnotic, spectacular and to carry on the business of production, distribution of films and motion pictures, including the running theatres, and cinematographic shows and exhibitions.
- 6.5 The Authorized Share Capital of the Target Company is ₹ 12,00,00,000 comprising of 1,20,00,000 Equity Shares of ₹ 10/- each. The paid-up Equity Share Capital of the Target Company is ₹ 9,48,07,000/- comprising 94,80,700 Equity Shares of ₹ 10/- each fully paid up.
- 6.6 As of date, the Target Company does not have any partly paid-up shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. However, our company had allotted 1,50,00,000 (One Crore Fifty Lakhs) Convertible Equity Warrants ('Warrants') at an issue price of ₹10/- (Rupees Ten Only) on a preferential basis. Out of these, 56,60,000 and 43,40,000 warrants were allotted to Mr. Dhruvin Dakshesh Shah ('Acquirer 1') and Mr. Sagar Samir Shah ('Acquirer 2'), respectively. The remaining 50,00,000 Warrants were allotted to the Public Category.
- 6.7 Currently, none of the equity shares of the Target Company are under lock-in.
- 6.8 The Offer Price will be payable in cash, through bank transfer, by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
- 6.9 The Target Company has complied with all the provisions of SEBI (LODR) Regulations, 2015 from time to time and there are no punitive actions *except* the following instances of non-compliance mentioned hereunder:
  - i. The trading in Equity Shares of the Target Company was suspended with effect from August 21, 2015, based on the parameters provided by SEBI and under provisions of Rules, Bye-laws and Regulation of the Exchange, as an interim preventive and remedial measure and to maintain orderly

development in the securities market. The said suspension was revoked with effect from December 11, 2015 vide BSE Notice No. 20151208-7 dated December 08, 2015.

- ii. The trading in Equity Shares of the Target Company was suspended on account of non - compliance with various provisions of the erstwhile Listing Agreement. The said suspension was revoked with effect from May 18, 2012 vide Notice No. 20120514-16 dated May 14, 2012.
- iii. BSE Limited imposed fine on Company for various non-compliance with provisions of SEBI (LODR) Regulations, 2015 details as given below:

Sr. No.	Quarter ended	Regulation	Provisions	Fine amount	Paid on	Fine Waived
1.	Dec – 13	Reg – 27(2)	Corporate Governance	82000	Paid*	-
2.	Dec – 13	Reg – 31	Shareholding pattern	1000		-
3.	Mar – 15	Reg – 31	Shareholding pattern	6000		-
4.	Dec – 18	Reg – 31	Shareholding pattern	4000	15-09-2023	-
5.	Mar - 20	Reg – 31	Shareholding pattern	94000	-	94000
6.	Dec – 20	Reg – 31	Shareholding pattern	38000	15-09-2023	-
7.	Mar – 19	Reg – 33	Financial Results	5830000	15-09-2023	4530000
8.	Dec – 20	Reg – 34	Annual Report	5000	15-09-2023	-
9.	Mar – 14	Reg – 34	Annual Report	1000	15-09-2023	-
10.	Mar – 17	Reg – 34	Annual Report	65000	15-09-2023	-
11.	Mar – 18	Reg – 34	Annual Report	252000	15-09-2023	-
12.	Mar – 19	Reg – 34	Annual Report	204000	15-09-2023	96000
13.	Mar – 20	Reg – 34	Annual Report	110000	-	110000
14.	Jul – 21	Reg – 44(3)	Voting results of General Meeting	10000	-	10000
15.	Dec – 18	Reg – 6(1)	Appointment of qualified company secretary as the compliance officer	92000	15-09-2023	-
16.	Mar- 19	Reg – 6(1)	Appointment of qualified company secretary as the compliance officer	90000	15-09-2023	-
17.	Jun – 19	Reg – 6(1)	Appointment of qualified company secretary as the compliance officer	91000	15-09-2023	-
18.	Sep – 19	Reg – 6(1)	Appointment of qualified company secretary as the compliance officer	92000	15-09-2023	-
19.	Dec – 19	Reg – 6(1)	Appointment of qualified company secretary as the compliance officer	85000	15-09-2023	-
20.	Jun – 19	Reg – 7(1)	Appointment of a share transfer agent	91000	-	91000
21.	Sep – 20	Reg – 29(2) 29(3)	Intimation of Board Meeting	10000	15-09-2023	-
22.	Aug - 21	Reg – 29(2) 29(3)	Intimation of Board Meeting	10000	15-09-2023	-
23.		Sec. 15C	SEBI Act – violation of provision of relating to timely redressal of investor grievances	3,00,000	31/12/2019	-

\*Actual date of payment not available with the Target Company

- iv. Fine imposed on Company for various non-compliance with provisions of Companies act 1956/2013 details as given below:

Sr. No.	Section	Provisions	Fine amount	Paid on
1	Prosecution Under Section 162 & Section 220(3) Of Companies Act	Defaulted In Filing Annual Returns (Section 159) Defaulted In Filing Of Copies Of Balance Sheet With The Registrar (Section 220)	Rs.50796	Penalty Amount Paid By Company Vide Receipt No.099 To 115 Dated 06/01/2006
2	Prosecution Under Section 162 & Section 220(3) Of Companies Act: Penalty Imposed	Defaulted In Filing Annual Returns (Section 159)  Defaulted In Filing Of Copies Of Balance Sheet, Etc. With The Registrar (Section 220)	Rs.3916	Penalty Amount Paid By Company Vide Receipts No.61,62,68,69,72 To 74 Dated 22/04/2009
3.	Prosecution Under Section 383a(1a) Of Companies Act: Penalty Imposed	Did Not Appoint Whole-Time Secretary (Section 383a(1))	Rs.950	Penalty Amount Paid By Company Vide Receipt No.66 Dated 29/09/2011

6.10 The Promoters/Promoter Group of the target company have made delay submission of disclosures required under provisions of SEBI (SAST) Regulations 2011.

6.11 As of the date of this Letter of Offer, the Share Capital structure of the Target Company is as follows:

Paid-up Equity Shares of the Target Company	No. of Equity Shares / Voting Rights	Percentage of Equity Shares / Voting Rights
Fully paid-up Equity Shares	94,80,700 of ₹ 10/- each	100%
Partly paid-up Equity Shares	NIL	NIL
Total paid-up Equity Shares	94,80,700 of ₹ 10/- each	100%
Total voting rights in TC	94,80,700 of ₹ 10/- each	100%

6.12 The Equity Shares are not 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, 2011 as of the date of PA.

6.13 As on the date of this LOF, the Wholly Owned Subsidiary Company of the Target company, as mentioned below:

Name of the Company	Equity shares held by Target Company	% Voting Rights held by Target Company	Details of directors in wholly owned subsidiary company
Sakshi Barter Private Limited	35, 680	100%	1. Ashvin Shantilal Trivedi 2. Jayesh Narendrakumar Shah
Navkar Events Private Limited	10,000	100%	1. Dhruvin Shah 2. Shital Shah

6.14 There has been no merger/de-merger, spin off during last 3 (Three) years involving the Target Company.

6.15 As of the date of this LoF, the composition of the Board of Directors of Target Company is as under:

Sr. No.	Name	Designation	DIN	Date of Appointment
1.	Jitendra Somchand Shah	Independent Director	01609325	21/03/2020
2.	Manorama Jitendra Shah	Independent Director	07108562	27/03/2015
3.	Dipankar Bhuvneshwar Mahto	Independent Director	08730286	21/03/2020
4.	Kalpan Jashminkumar Sheth	Managing Director	08987295	28/11/2020
5.	Punitkumar Javaharlal Bhavsar	Executive Director & CFO	08987296	29/12/2020

6.16 Summary of Audited consolidated Financial Statements for the Financial Years ended March 31, 2023, March 31, 2022, March 31, 2021 and Unaudited consolidated Financial Statement for the quarter ended June 30, 2023, as follows:

(Amt. in Lakhs)

Profit & Loss Statement*	Quarter ended on June 30	Year ended on March 31		
	2023	2023	2022	2021
Income from Operations	5.56	9.80	19.77	12.21
Other Income	-	3.52	11.33	0.85
<b>Total Income</b>	<b>5.56</b>	<b>13.32</b>	<b>31.10</b>	<b>13.06</b>
<b>Total Expenditure (Excl. Depreciation and Interest)</b>	<b>5.45</b>	<b>11.53</b>	<b>10.02</b>	<b>12.03</b>
<b>Profit Before Exp. Item, Depreciation, Interest and Tax</b>	<b>0.11</b>	<b>1.79</b>	<b>21.08</b>	<b>1.03</b>
Depreciation	0.11	0.44	0.88	0.88
Interest	-	-	-	-
Exceptional Item	-	-	-	-
<b>Profit/ (Loss) Before Tax</b>	<b>0.09</b>	<b>1.35</b>	<b>20.20</b>	<b>0.15</b>
Provision for Tax	0.03	0.34	3.65	0.04
<b>Profit/ (Loss) After Tax</b>	<b>0.06</b>	<b>1.00</b>	<b>16.56</b>	<b>0.11</b>

Balance Sheet Statement*	Quarter ended on June 30	Year ended on March 31		
	2023	2023	2022	2021
<b>Sources of Funds</b>				
Equity Share Capital	948.07	948.07	948.07	948.07
Other Equity	(272.76)	(272.77)	(262.69)	(279.25)
Secured/Unsecured Loan	8.15	-	-	9.00
Other Non-Current Liabilities	-	-	-	-
Provisions	0.43	0.93	2.35	0.32
Trade Payable	0.51	0.32	13.42	13.14
Deferred tax liabilities	1.39	1.39	1.39	-
Other Current Liabilities	0.04	0.04	0.03	-
<b>TOTAL</b>	<b>685.91</b>	<b>677.98</b>	<b>702.57</b>	<b>691.29</b>
<b>Application of Funds</b>				
Property, Plant & Equipment	9.02	9.13	9.59	10.48
Capital Work in Progress	-	-	0.55	0.55
Long Term Loans & Advances	-	-	-	-
Deferred tax assets	-	-	-	-
Inventories	-	-	-	-
Investments	642.24	642.24	642.24	642.24
Trade Receivable	16.94	7.27	10.92	6.76
Cash and Cash Equivalents	16.36	18.67	25.85	19.94
Other Financial Asset	1.22	0.55	11.08	11.08
Short Term Loans & Advances	-	-	-	-
Current Tax Assets	-	-	-	-
Other Non-Current Assets	-	-	-	-
Other Current assets	0.12	0.12	2.33	0.23
<b>TOTAL</b>	<b>685.91</b>	<b>677.98</b>	<b>702.57</b>	<b>691.29</b>

\*Source: Audited Financial Statements

Other Financial Data	Quarter ended on June 30	Year ended on March 31		
	2023	2023	2023	2023
Dividend (%)	-	-	-	-
Earnings Per Share (₹)	0.00	0.01	0.17	0.00
Net worth	675.31	677.87	687.82	671.21
Return on Net worth (%)	0.01	0.15	2.41	0.02

Book Value Per Equity Share	7.12	7.15	7.26	7.08
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6.17 Pre and Post Shareholding pattern of the Target Company as of the date of this Letter of Offer is as follows:

Shareholders' Category*	Shareholding and voting rights prior to the Agreement/ acquisition and offer		Shares/voting rights agreed to be acquired which triggered off the Regulations		Shares/ voting rights to be acquired in the Offer (assuming full acceptance)		Shareholding/ voting rights after the acquisition and Offer	
	(A)		(B)		(C)		i.e. = (A+B+C)	
	No.	%	No.	%	No.	%	No.	%
<b>1. Promoter and Promoter Group</b>								
<b>a) Promoter</b>								
<b>Indian</b>								
Machchhar Yogendra Harilal	172800	1.82	(172800)	(1.82)	-	-	0	0
Pandit Atul Bahadurshah	169200	1.78	-	-	-	-	169200	1.78
Kiritkumar Amratlal Bhatt	20600	0.22	-	-	-	-	20600	0.22
Harendrakumar Amrutlal Bhatt	2400	0.03	-	-	-	-	2400	0.03
Harendrakumar Amratlal Bhatt (HUF)	1000	0.01	-	-	-	-	1000	0.01
Kiritkumar Amrutlal Bhatt (HUF)	1000	0.01	-	-	-	-	1000	0.01
Parvatiben Kiritkumar Bhatt	1000	0.01	-	-	-	-	1000	0.01
Deenaben Harendrakumar Bhatt	1000	0.01	-	-	-	-	1000	0.01
Bhatt Dhavalkumar Harendrabhai	1000	0.01	-	-	-	-	1000	0.01
Himanshu Rajnikant Shah	1000	0.01	-	-	-	-	1000	0.01
<b>Foreign</b>	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<b>b) Promoters other than 'a' above</b>								
-	-	-	-	-	-	-	-	-
<b>Total (1) (a+b)</b>	<b>371000</b>	<b>3.91</b>	<b>(172800)</b>	<b>(1.82)</b>	<b>-</b>	<b>-</b>	<b>198200</b>	<b>2.09</b>
<b>2. Parties to the SPA other than 1 above</b>								
-	-	-	-	-	-	-	-	-
<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3. Acquirer and PAC</b>								
-	-	-	-	-	-	-	-	-
Mr. Dhruvin Dakshesh Shah	-	-	120000	1.27	3312455	35	3432455	36.20
Mr. Sagar Samir Shah	-	-	52800	0.56	2850000	30	2902800	30.62
Mrs. Sheetal Dakshesh Shah	360360	3.80	-	-	-	-	360360	3.80
<b>Total (3)</b>	<b>360360</b>	<b>3.80</b>	<b>172800</b>	<b>1.83</b>	<b>6162455</b>	<b>65</b>	<b>6695615</b>	<b>70.62</b>
<b>4. Public Category</b>								
a) Financial Institutions/ Banks	-	-	-	-	(6162455)	(65)	2586885	27.29
b) Individuals	8214542	86.64						
c) Others	534798	5.65						
<b>Total (4) (a+b+c)</b>	<b>8749340</b>	<b>92.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (1+2+3+4)</b>	<b>9480700</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9480700</b>	<b>100.00</b>

\*Figures are calculated on the basis of Voting Capital of 94,80,700.

\*\*The Acquirers has acquired 1,72,800 fully paid-up Equity Shares held by the promoter seller of the Target Company through the Share Purchase Agreement (SPA) dated September 25, 2023.

Note: In terms of the Special Resolution passed by the Members of the Company at the Extraordinary General

Meeting ('EGM') held on October 25, 2023, and in accordance with the In-principal Approval granted by BSE Limited on November 13, 2023, the Board of Directors of the Company, at their meeting held on November 27, 2023, approved the allotment of 1,50,00,000 (One Crore Fifty Lakhs) Convertible Equity Warrants ('Warrants') at an issue price of ₹ 10/- (Rupees Ten Only) per warrant on a preferential basis. Out of the 1,50,00,000 Warrants, 56,60,000 and 43,40,000 Warrants were allotted to Mr. Dhruvin Dakshesh Shah ('Acquirer 1') and Mr. Sagar Samir Shah ('Acquirer 2') respectively ('Preferential Issue'). The remaining 50,00,000 Warrants were allotted to the Public Category. Each Warrant is convertible into one Equity Share of the Target Company.

- 6.18 There are no directions subsisting or proceedings pending against the Target Company and its Promoters, including existing selling promoters, under the SEBI Act and the regulations made thereunder or by any other regulator. Further, no penalties had been or have been levied by SEBI/ RBI or any other regulatory body against the Target Company and its Promoters, including existing promoters. Further, no statutory approvals are pending as of date.
- 6.19 The Target Company and its directors are not or have not been declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018, including subsequent amendments thereto, nor are they or have they been categorized nor are appearing in the 'Wilful Defaulter' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- 6.20 The closing market price of the Equity Shares of the Target Company as of the date of the Public Announcement and the Detailed Public Statement, the trading day after the date of the Public Announcement was as below:

Particulars	Closing Market Price
September 25, 2023 the date of the PA	31.00
September 26, 2023 the next trading day after the PA	32.55
October 04, 2023 the date of the DPS	38.05
October 05, 2023 the next trading day after the DPS	38.05

## 7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 7.1 Justification of Offer Price

- 7.1.1 The Equity Shares of the Target Company are presently listed and traded on BSE Limited (BSE) having the symbol 'MADHUVVEER', script code 531910 and the ISIN of Equity Shares of the Target Company is INE312M01016. As on the date of LoF, the shares of the Company are listed Status under "XT" Category in BSE. The Equity Shares of the Target Company are not frequently traded on BSE during the twelve (12) calendar months preceding the month in which PA was made as set out under Regulation 2(1)(j) of SEBI (SAST) Regulation, 2011.
- 7.1.2 The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the Twelve calendar months prior to the month of PA (i.e. September 01, 2022 to August 31, 2023) is as set out below:

Stock Exchange	Time Period	Total Number of Equity Shares traded during the twelve calendar months prior to the month of PA	Total Number of listed Equity Shares	Annualized trading turnover (as % of total Equity Shares listed)
BSE	September 01, 2022 to August 31, 2023	2,20,681	94,80,700	2.33%

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

- 7.1.3 Based on the above information, the Equity Shares of the Target Company are not frequently traded on the exchange within the meaning of the explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011.

- 7.1.4 The Offer Price of ₹ 10/- (Rupees Ten Only) per Equity Share has been determined in terms of Regulations, 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011 being the highest of the following:

Sr. No.	Particulars	Price (₹ per Equity Share)
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A	The highest negotiated price per Equity Share of the Target Company for acquisition under any agreement attracts the obligation to make a PA of an Open Offer.	10/-
B	The volume-weighted average price paid or payable for acquisitions, whether by the acquirer or by any person acting in concert with him, during the 52 (Fifty-two) weeks immediately preceding the date of the public announcement.	Not Applicable*
C	The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 (Twenty-six) weeks immediately preceding the date of the public announcement.	Not Applicable
D	The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on an exchange, provided such shares are frequently traded.	Not Applicable
E	The per Equity Share value computed under Regulation 8(5) of the Takeover Regulations, if applicable.	Not Applicable
F	Where the shares are not frequently traded, the price determined by the Acquirers and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples and earnings per share.	7.44/-**

*\* Mrs. Sheetal Dakshesh Shah (PAC) holds 3,60,360 Equity Shares and representing 3.80% of the Voting Capital of the Target Company. The said shares acquired by PAC on August 29, 2022, by way of gift from her father.*

*\*\*As certified by Mr. Manish Santosh Buchasia, Registered Valuer (Reg. No. – IBBI/RV/03/2019/12235) having an office at 306, "Gala Mart" Nr Sobo Centre, Before Safal Parisar, South Bopal, Ahmedabad - 380058, Gujarat; Tel. No.: +91 9327916394 Email: [cs@buchasia.com](mailto:cs@buchasia.com) has valued the Equity Shares of Target Company and calculated the fair value per share at Rs. 7.44/- vide his Share Valuation Report dated September 25, 2023.*

- 7.1.5 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, 2011.
- 7.1.6 If the Acquirers and PAC acquire or agree to acquire any Equity Shares or voting rights in the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations, 2011.
- 7.1.7 Provided that no such acquisition shall be made after the 1 (One) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period. Further, in accordance with Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations, 2011, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirer shall (i) make corresponding increases to the escrow amount (ii) make public announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously notify to BSE, SEBI and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations, 2011.
- 7.1.8 If the Acquirers and PAC acquires Equity Shares of the Target Company during the period of 26 (Twenty-Six) Weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Equity Shares have been accepted in the Offer within 60 (Sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011, 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 Equity Shares of the Target Company in any form.
- 7.1.9 As of date, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011, which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 7.1.10 If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working day before the date of commencement of the tendering period and would be notified to the shareholders.

## 7.2 Financial Arrangements

- 7.2.1 The Total Fund Requirement for the Open Offer (assuming full acceptances) for the acquisition up to 61,62,455 Equity Shares from all the Public Shareholders of the Target Company at an Offer Price of ₹ 10/- (Rupees Ten Only) per share aggregating to ₹ 6,16,24,550/- (Rupees Six Crore Sixteen Lakh



Twenty Four Thousand Five Hundred Fifty Only) (“**Maximum Consideration**”).

- 7.2.2 The Acquirers have adequate financial resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011. The acquisition will be financed through the internal resources of the Acquirers and no borrowings from any bank and/or financial institution are envisaged.
- 7.2.3 The Acquirers, the Manager to the Offer and Kotak Mahindra Bank Limited, a Scheduled Commercial Bank and carrying on business as of banking in India under Banking Regulations, Act, 1949 having one of its branch offices at Nariman Point, Mumbai, India have entered into an Escrow Agreement dated September 25, 2023 and for the purpose of the Offer (the ‘**Offer Escrow Agreement**’). In terms of Regulation 17 of the SEBI (SAST) Regulations, 2011 the Acquirer has deposited cash of ₹ 1,54,06,500/- (Rupees One Crores Fifty Four Lakhs Six Thousand Five Hundred Only) which is 25% of the Maximum Consideration in an Escrow Account bearing name and style as ‘**MADHUEER - OPEN OFFER ESCROW ACCOUNT**’ (“**Escrow Account**”) opened with Kotak Mahindra Bank Limited.
- 7.2.4 The Acquirers have authorized the Manager to Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 7.2.5 Mr. Fenil Samirkumar Shah, Chartered Accountant, Partner of M/s. F C N & Associates, having its office at B-1103, Sivanta The Business Park, Opp B.O.B., Pritamnagar, Paldi, Ahmedabad-7 (Membership No.: 181805) vide his certification dated August 23, 2023 certified that the **Acquirer 1** has sufficient resources to meet the fund requirement for the obligation of Open Offer of the Target Company.
- 7.2.6 Mr. Ashit Shah, Chartered Accountant, Proprietor of M/s. Ashit N. Shah & Co., having its office at 1, Shantinath Apt, Shantisadan Society, B/h. Doctor House. Ellisbridge, Ahmedabad-380 006. (Membership No.: 036857) vide his certification dated July 26, 2023 certified that the **Acquirer 2** has sufficient resources to meet the fund requirement for the obligation of Open Offer of the Target Company.
- 7.2.7 Based on the above and in the light of the escrow arrangements, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfil their obligations through verifiable means in relation to the Offer in accordance with the SEBI (SAST) Regulations, 2011.
- 7.2.8 In case of any upward revision in the Offer Price or Offer Size, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

## **8 TERMS AND CONDITIONS OF THE OFFER**

### **8.1 Operational terms and conditions**

- 8.1.1 The Offer is not a conditional offer and is not subject to any minimum level of acceptances from Public Shareholders.
- 8.1.2 The LoF will be dispatched to all the shareholders of Target Company, whose names appear in its Register of Members on January 15, 2024 the Identified Date.
- 8.1.3 The Offer is subject to the terms and conditions set out in this LoF, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 8.1.4 The LoF would also be available at SEBI’s website [www.sebi.gov.in](http://www.sebi.gov.in), and shareholders can also apply by downloading such forms from the website.
- 8.1.5 This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 8.4 of this LoF. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, 2011, if the statutory approvals are refused, the Offer would stand withdrawn. In the event of a withdrawal of the Offer, the Acquirer (through the Manager to the Offer) shall, within 2 (Two) Working Days of such withdrawal, make a public announcement, in the same newspapers in which the Detailed Public Statement was published, in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, 2011 and such public announcement also will be sent to SEBI, BSE and the Target Company at its registered office.
- 8.1.6 While it would be ensured that the LoF is dispatched by the due date to all the eligible Public Shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Offer shall not invalidate the Offer in any manner whatsoever.
- 8.1.7 Any equity shares that are the subject matter of the 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 the during the 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.

8.1.8 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, 2011, Public Shareholders who tender their Equity Shares in the Offer shall not be entitled to withdraw such acceptance.

**8.2 Locked in shares:** Currently, none of the equity shares of the Target Company are under lock-in.

**8.3 Persons eligible to participate in the offer**

8.3.1 The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in register of Target Company as on the Identified Date.

8.3.2 This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.

8.3.3 All Public Shareholders who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period, are eligible to participate in this Offer.

8.3.4 The acceptance of this Offer by the Public Shareholders must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

8.3.5 All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including, without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer in the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

8.3.6 The acceptance of this Offer is entirely at the discretion of the Public Shareholders.

8.3.7 The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of any documents during transit and the Public Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.3.8 The acceptance of equity shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.

8.3.9 For any assistance please contact the Manager to the Offer or the Registrar to the Offer.

**8.4 Statutory and other Approvals**

8.4.1 Public Shareholders of the Target Company who are either NRIs or Overseas Corporate Bodies ('OCBs') and wish to tender their Equity Shares in this Offer shall be required to submit all the applicable approvals (specific and general) from the RBI that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such approvals from the RBI are not submitted, the Acquirer reserve the sole right to reject the Equity Shares tendered by such Public Shareholders in the Offer. This Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.

8.4.2 As on the date of this LoF, no statutory approvals are required for the proposed open offer. However, the Offer will be subject to all statutory approvals that may become applicable at a later date. The Acquirers / PAC reserves the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the SEBI (SAST) Regulations, 2011 in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused. The Target company has received the in-principle approval from BSE vide letter dated November 13, 2023, for the issue of 1,50,00,000 warrants convertible into 1,50,00,000 equity shares of Rs. 10/- each on Preferential basis.

8.4.3 The Acquirers shall complete all procedures relating to payment of consideration under this Offer within 10 (Ten) Working Days from the date of expiry of the Tendering Period to those eligible Public Shareholders whose share certificates and/or other documents are found valid and in order and are

accepted for acquisition by the Acquirer.

8.4.4 No approval from any bank or financial institutions is required for the purpose of this Offer.

8.4.5 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

## 9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

The Offer shall be implemented by the Acquirer through the stock exchange mechanism made available by the Stock Exchanges in the form of a separate window called Acquisition Window notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as further amended by SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 as per further amendment vide SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and any other as may be amended from time to time, issued by SEBI.

BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Open Offer.

The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the offer shall be available on the BSE in the form of a separate window ('**Acquisition Window**').

All the Public Shareholders who desire to tender their Equity Shares under the offer would have to approach their respective stock brokers ('**Selling Broker(s)**'), during the normal trading hours of the secondary market during the Tendering Period.

**The buying broker may also act as selling broker for Public Shareholders.**

The Acquirers have appointed M/s. Ratnakar Securities Private Limited ('**Buying Broker**') as his broker for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:

**Name: Ratnakar Securities Private Limited**

**Address:** 304, Sankalp Square - 2,  
Near Jalaram Mandir Crossing,  
Ellsbridge, Ahmedabad - 380006

**SEBI Registration No. –** INZ000191735

**Tel No.:** 079-49005200/9898004988

**Email:** info@ratnakarsecurities.com

**Website:** www.ratnakarsecurities.com

**Contact Person:** Mr. Kushal Ajay Shah



The Public Shareholders who have registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through electronic means. If Public Shareholders who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Registrar to the Offer at the address or email id mentioned on the cover page of the Letter of Offer by stating such shareholder's name, address, number of Equity Shares held on Identified Date, client ID number, DP name /ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such shareholder. The Public Shareholders who have not registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.

All Public Shareholders holding the Equity Shares in dematerialized form are eligible to participate in this Offer at any time during the period from offer opening date till the Offer Closing Date ("Tendering Period") for this Offer. Further, in accordance with the Frequently Asked Questions issued by SEBI, "FAQs - Tendering of physical shares in buyback offer/ Open Offer/ exit offer/delisting" dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 and BSE notice no 20200528-32 dated 28 May 2020, Public Shareholders holding securities in physical form are allowed to tender shares in Open Offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. The Public Announcement, the Detailed Public Statement, the Letter of Offer and the form of acceptance will also be available on the SEBI website: www.sebi.gov.in.

During the Tendering Period, the tender of the Equity Shares by the Public Shareholders in this Offer will

be placed through their respective selling brokers during normal trading hours of the secondary market. The cumulative quantity tendered shall be displayed on the stock exchanges website throughout the trading session at specific intervals by the stock exchanges during Tendering Period. Modification/cancellation of orders will not be allowed during the Tendering Period. Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant). In the event seller broker(s) are not registered with BSE or NSE, if the shareholder does not have any stock broker then that Shareholder can approach any BSE or NSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE or NSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable laws and regulations. **In case Public Shareholder is not able to bid using quick UCC facility through any other BSE or NSE registered stock broker then the Public Shareholder may approach the Target Company's broker to bid by using quick UCC facility.** The Public Shareholder approaching BSE or NSE registered stock broker (with whom he does not have an account) may have to submit the following details:

### 9.1 In case of shareholder being an individual

#### (A) If Public Shareholder is registered with KYC Registration Agency (“KRA”) - Forms required

- i. Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable.
- ii. Know Your Client (KYC) form Documents required (all documents self-attested): Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

#### (B) If Public Shareholder is not registered with KRA - Forms required

- i. CKYC form including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. KYC form Documents required (all documents self-attested):
- iv. PAN card copy
- v. Address proof
- vi. Bank details (cancelled cheque)
- vii. Demat details (Demat master /Latest Demat statement)

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

### 9.2 In case of Shareholder is HUF

#### (A) If Public Shareholder is registered with KYC Registration Agency (“KRA”) - Forms required

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KYC form documents required (all documents self-attested): Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

#### (B) If Public Shareholder is not registered with KRA - Forms required

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. Know Your Client (KYC) form Documents required (all documents self-attested):
- iv. PAN card copy of HUF & KARTA
- v. Address proof of HUF & KARTA
- vi. HUF declaration
- vii. Bank details (cancelled cheque)
- viii. Demat details (Demat master /Latest Demat statement)

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

### 9.3 In case of Public Shareholder other than Individual and HUF

#### (A) If Public Shareholder is KRA registered - Form required

- i. Know Your Client (KYC) form Documents required (all documents certified true copy) Bank details (cancelled cheque)
- ii. Demat details (Demat master /Latest Demat statement)
- iii. FATCA, IPV, OSV if applicable
- iv. Latest list of directors/authorised signatories/partners/trustees

- v. Latest shareholding pattern
- vi. Board resolution
- vii. Details of ultimate beneficial owner along with PAN card and address proof
- viii. Last 2 years financial statements

**(B) If Public Shareholder is not KRA registered: Form required**

- i. KRA form
- ii. Know Your Client (KYC) form Documents required (all documents certified true copy):
  - a. PAN card copy of company/ firm/trust
  - b. Address proof of company/ firm/trust
  - c. Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)
- iv. FATCA, IPV, OSV if applicable
- v. Latest list of directors/authorised signatories /partners/trustees
- vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees
- vii. Latest shareholding pattern
- viii. Board resolution/partnership declaration
- ix. Details of ultimate beneficial owner along with PAN card and address proof
- x. Last 2 years financial statements
- xi. MOA/Partnership deed /trust deed

*It may be noted that, other than submission of above forms and documents, in person verification may be required. It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.*

**9.4 Procedure for tendering Equity Shares held in dematerialized form**

- 9.4.1 The Public Shareholders who are holding Equity Shares in electronic/ dematerialized form and who desire to tender their Equity Shares in this Offer shall approach their respective selling broker indicating to their Selling Broker the details of Equity Shares that such Public Shareholder intends to tender in this Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 9.4.2 The Selling Broker(s) would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of the Stock Exchanges. Before placing the order/bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the stock exchanges or the Clearing Corporation, prior to placing the order/bid by the selling broker.
- 9.4.3 Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the Public Shareholders.
- 9.4.4 Upon placing the order, the selling broker shall provide Transaction Registration 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.
- 9.4.5 On receipt of TRS from the respective seller broker, the Public Shareholder has successfully placed the bid in the Offer.
- 9.4.6 Modification/cancellation of orders will not be allowed during the Tendering Period of the offer.
- 9.4.7 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 6:00 PM on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 9.4.8 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.
- 9.4.9 The Public Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated offer.
- 9.4.10 The cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.



## 9.5 Procedure for tendering Equity Shares held in physical form

- 9.5.1 As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations, as amended, and SEBI's press release dated December 03, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository with effect from April 01, 2019. In accordance with the Frequently Asked Questions issued by SEBI, 'FAQs – Tendering of physical shares in buyback offer/Open Offer /exit offer /delisting' dated February 20, 2020 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 issued by SEBI the Public Shareholders holding securities in physical form are allowed to tender Equity Shares in Offer through tender offer route. However, such tendering shall be as per the provisions of respective regulations.
- 9.5.2 Public Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with complete set of documents for verification procedures to be carried out including the:
- The Form of Acceptance duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
  - Original share certificates;
  - Valid share transfer form(s) duly filed and signed by the transferors (i.e. by all registered Public Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favour of the Acquirer's);
  - Self-attested copy of Public Shareholders' PAN Card;
  - Any other relevant documents such as (but not limited to):
  - Duly attested power of attorney if any person other than the Public Shareholder has signed the relevant Form of Acceptance.
  - Notarized copy of death certificate/succession certificate or probated will, if original Public Shareholder has deceased.
  - Necessary corporate authorizations, such as board resolutions etc., in case of companies
  - In addition to the above, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid aadhar card, voter identity card or passport.
- 9.5.3 Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Public Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., number of Equity Shares tendered etc.
- 9.5.4 After placement of order, as mentioned in paragraph 9.5.3, the Selling Broker / eligible Public Shareholder must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other required documents either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (Two) days from the Offer Closing Date (by 5 PM). The envelope should be super scribed as "Limited Open Offer". One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- 9.5.5 Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares by the Acquirer shall be subject to verification as per SEBI (SAST) Regulations, 2011 and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as unphysical bids. Once, Registrar to the Offer confirms the orders it will be treated as 'confirmed bids'.
- 9.5.6 Public Shareholders who wish to offer their physical Equity Shares in the Offer are requested to send their original documents as will be mentioned in the LOF to the Registrar to the Offer so as to reach them on or before Offer Closing Date.

In case, any person has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Offer before Closing Date.

## **9.6 Acceptance of Equity Shares**

- 9.6.1 Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 9.6.2 In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares offered, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in nonmarketable 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.
- 9.6.3 In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.

## **9.7 Procedure for tendering the shares in case of non-receipt of Letter of Offer**

- 9.7.1 Public Shareholders 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.
- 9.7.2 A Public Shareholder may participate in the Offer by approaching their Selling Broker and tender Equity Shares in the Offer as per the procedure mentioned in the Letter of Offer.
- 9.7.3 The Letter of Offer will be dispatched to all the Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company on the Identified Date.
- 9.7.4 In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website i.e. [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

## **9.8 Settlement Process**

- 9.8.1 On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to the designated stock exchanges to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
- 9.8.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the acquisition Window Circulars.
- 9.8.3 For Equity Shares accepted under the Offer, the Eligible Shareholders will receive funds payout directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Public Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Broker's settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Public Shareholders. The Public Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- 9.8.4 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.
- 9.8.5 The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer.
- 9.8.6 The funds payout pertaining to the bids of NRIs, foreign shareholders and/or bids confirmed by custodians, will be transferred to the Selling Broker's settlement accounts or the settlement bank account of the custodian, in accordance with the applicable mechanism prescribed by the designated stock exchange and the Clearing Corporation from time to time.



- 9.8.7 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.
- 9.8.8 Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned back to the Eligible Shareholder(s) directly by Registrar to the Offer.
- 9.8.9 The direct credit of Equity Shares shall be given to the demat account of Acquirer as indicated by the Buying Broker.
- 9.8.10 Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirer.
- 9.8.11 Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered shareholders'/ unregistered owners' sole risk to the sole/ first Shareholder/ unregistered owner. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in an event the Equity Shares accepted by the Target Company are less than the Equity Shares tendered in the Offer by the Public Shareholders holding Equity Shares in the physical form.
- 9.8.12 In case of partial or non-acceptance of orders, the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective selling broker and the selling broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
- 9.8.13 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 9.8.14 If Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Public Shareholder.
- 9.8.15 Public Shareholders who intend to participate in the Offer should consult their respective selling broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the selling broker upon the Public Shareholders for tendering Equity Shares in the offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Target Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 9.8.16 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

#### **Note on taxation**

Under current Indian tax laws and regulations, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed Equity Shares on a stock exchange held for more than 12 (Twelve) months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed Equity Shares held for a period of 12 (Twelve) months or less, which are sold will be subject to short term capital gains tax provided the transaction is chargeable to STT.

**SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE PURCHASER DOES NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER**

**Tax deduction at source**

## 1. In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Acquirer shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Offer.

## 2. In the case of Non-Resident Shareholders

Since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. It is, therefore, recommended the nonresident shareholder may consult their custodians/ authorized dealers/ tax advisors appropriately.

## THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES

## 10 DOCUMENTS FOR INSPECTION

Public Announcement (PA), Detailed Public Statement (DPA), Draft Letter of Offer (DLoF) and Letter of Offer (LOF) are available on website of Manager to the Offer–Kunvarji Finstock Private Limited (Link <https://kunvarji.com/merchant-banking/>).

The following documents are regarded as material documents and are available for inspection 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 at the office of the Manager to the Offer to the Offer – Kunvarji Finstock Private Limited., Block B, First Floor, Siddhi Vinayak Towers, Off S.G. Highway Road, Mouje Makarba, Ahmedabad- 380051:

1. The Certificate of Incorporation along with the Memorandum and Articles of Association of the Target Company.
2. Mr. Fenil Samirkumar Shah, Chartered Accountant, Partner of M/s. F C N & Associates, having its office at B-1103, Sivanta The Business Park, Opp B.O.B., Pritamnagar, Paldi, Ahmedabad-7 (Membership No.: 181805) vide his certification dated August 23, 2023 certified that the **Acquirer 1** has sufficient resources to meet the fund requirement for the obligation of Open Offer of the Target Company.
3. Mr. Ashit Shah, Chartered Accountant, Proprietor of M/s. Ashit N. Shah & Co., having its office at 1, Shantinath Appt, Shantisadan Society, B/h. Doctor House. Ellisbridge, Ahmedabad-380 006. (Membership No.: 036857) vide his certification dated July 26, 2023 certified that the **Acquirer 2** has sufficient resources to meet the fund requirement for the obligation of Open Offer of the Target Company.
4. Audited Financial Reports of the Target Company for last three financial years.
5. Copy of Share Purchase Agreement dated September 25, 2023 entered into between the Acquirers and Seller.
6. Copy of Escrow Agreement between the Acquirers, Banker to the Offer and Manager to the Offer.
7. Copy of Bank Statement from Kotak Mahindra Bank Limited confirming the cash deposit of ₹ 1,54,06,500/- (Rupees One Crores Fifty Four Lakhs Six Thousand Five Hundred Only) which is 25% of the maximum consideration in the Escrow Account.
8. Copy of PA filed on September 25, 2023 and published copy of the DPS, which appeared in the newspapers on October 04, 2023.
9. A copy of the recommendation made by the Committee of Independent Directors of the Target Company.
10. Memorandum of Understanding between the Acquirer and Kunvarji Finstock Private Limited ('Manager to the Offer').
11. Due diligence certificate dated October 11, 2023, submitted to SEBI by Kunvarji Finstock Private Limited ('Manager to the Offer').
12. Copy of SEBI observation letter.
13. Consent letter from M/s. Ratnakar Securities Private Limited ('Buying Broker').
14. Copy of consent letter of M/s. Bigshare Services Private Limited ('Registrar to the Offer').

## 11 DECLARATION BY ACQUIRERS AND PAC

For the purpose of disclosures in this LoF relating to the Target Company, the Acquirers and PAC have relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers and PAC, accept full responsibility for the information contained in this LoF and also accept responsibility for the obligations of the Acquirers and PAC as laid down in the SEBI (SAST) Regulations, 2011. The Acquirers and PAC shall be responsible for ensuring compliance with the SEBI (SAST) Regulations, 2011.

**For and on behalf of the Acquirers and PAC**

\_\_\_\_\_  
**Dhruvin Dakshesh Shah**

**Acquirer 1**

**Date : January 19, 2024**

**Place: Ahmedabad**

**Encl:**

1. Form of Acceptance cum Acknowledgement
2. Blank Share Transfer Deed(s) in the case of shares held in physical mode.

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT ('FOA')**

(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

All terms and expressions used herein shall have the same meaning as described thereto in this LoF.

Offer Opens / Tendering Period Starts on	<b>January 30, 2024, Tuesday</b>
Offer Closes / Tendering Period Ends on	<b>February 12, 2024, Monday</b>

**FOR OFFICE USE ONLY**

Acceptance Number	
Number of Equity Shares offered	
Number of Equity Shares accepted	
Purchase Consideration in Rupees (Rs.)	
Cheque No. / Pay Order No. / Demand Draft No	

**Shareholder(s) details:**

Name: \_\_\_\_\_

Full Address: \_\_\_\_\_

Dist: \_\_\_\_\_; State: \_\_\_\_\_; Pin code: \_\_\_\_\_

Tel. No. with STD Code: \_\_\_\_\_; Mobile No. \_\_\_\_\_

To,

**BIGSHARE SERVICES PRIVATE LIMITED**

Address: S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai – 400 093, Maharashtra

**CIN:** U99999MH1994PTC076534

**Contact Person:** Mr Maruti Eate

**Tel No.:** +91 22 62638200

**E-mail Address:** [openoffer@bigshareonline.com](mailto:openoffer@bigshareonline.com)

**SEBI Reg. No. :** INR000001385

Sub.: Open Offer for the acquisition of 61,62,455 Equity Shares of “Madhuveer Com 18 Network Limited” representing 65% (Sixty Five) of the Voting Capital at a price of Rs. 10/- per Equity Share by the Acquirers under SEBI (SAST) Regulations, 2011.

Dear Sir / Madam,

I/We refer to the LoF dated January 19, 2024, for acquiring the Equity Shares held by me/us in the Target Company.

I/We, the undersigned, have read the LoF and understood its contents including the terms and conditions as mentioned therein.

**For Equity Shares held in physical form:**

I/We accept the Offer and enclose the original Equity Share certificate(s) and duly signed transfer deed(s) in respect of my/our Equity Shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive No(s)		No. of Equity Shares
			From	To	

(In case of insufficient space, please use an additional sheet and authenticate the same)

I/We note and understand that the original Equity Share Certificate(s) and valid share Transfer Deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers pays the purchase consideration as mentioned in the LoF.

I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

**Enclosures (please provide the following and ✓ whichever is applicable):**

- i. Original Equity Share certificates
- ii. Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
- iii. Form of Acceptance – signed 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;
- iv. Photocopy of Transaction Registration Slip (TRS) Self-attested copy of PAN card of all the transferor(s)
- v. Self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license
- vi. Any other relevant document (but not limited to) such as power of attorney (if any person apart from the shareholder has signed the FOA), corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased etc., as applicable. Shareholders of the Target Company holding physical shares should note that physical shares will not be accepted unless the complete set of documents are submitted.

**For all Public Shareholders (holding Equity Shares in demat or physical form):**

I / We confirm that the Equity Shares which are being tendered herewith by me/us under this Open Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offer, if any, declared hereafter and that I/we have obtained all the necessary consents to sell the Equity Shares on the foregoing basis.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares for the Open Offer and that I/we am/are legally entitled to tender the Equity Shares for the Open Offer. I/We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I/We agree that the Acquirer will pay the consideration as per the secondary market mechanism only after verification of the certificates, documents and signatures, as applicable submitted along with this FOA. I/We undertake to return to the Acquirer any Open Offer consideration that may be wrongfully received by me/us.

I/We give my/our consent to file form FCTRS, if applicable, on my/our behalf. I/We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer to affect the Open Offer in accordance with the SEBI (SAST) Regulations, 2011.

I / We am/are not debarred from dealing in Equity Shares.

I / We authorize the Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the offer and in terms of the LoF and I/we further authorize the Acquirer to return to me/us in the demat account/ share certificate(s) in respect of which the open offer is not found valid / not accepted without specifying the reasons thereof. I/We further agree to receive a single share certificate for the unaccepted Equity Shares in physical form.

In case of demat shareholders, I / We note and understand that the Equity Shares would be kept in the pool account of my/our broker and the lien will be marked by Clearing Corporation until the settlement date whereby the Acquirer makes payment of purchase consideration as mentioned in the LoF. In case of physical shareholders, I / We note and understand that the shares/ original share certificate(s) and transfer deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration as mentioned in the LoF or the date by which original share certificate(s), transfer deed(s) and other documents are returned to the shareholders, as the case may be.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, I / we

will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirers with all information/documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We authorize the Acquirer or the Registrars to the Offer to send by registered post/under certificate of posting, the cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

Signed & delivered by	Full name(s) of the shareholder(s)	Signature(s)	PAN
Sole / First shareholder			
Second shareholder			
Third shareholder			

Note: In the case of joint holdings, all holders must sign. In the case of body corporate, the rubber stamp should be affixed and the necessary board resolution must be attached.

Place: \_\_\_\_\_

Date: \_\_\_\_\_

**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS DELISTING OFFER SHOULD BE ADDRESSED TO THE REGISTRAR OF THE OFFER AT THE FOLLOWING ADDRESS QUOTING YOUR DP ID/CLIENT ID (IF YOU ARE HOLDING SHARES IN DEMATERIALISED FORM) OR FOLIO NO (IF YOU ARE HOLDING SHARES IN PHYSICAL FORM).**

-----Tear along this line-----

#### ACKNOWLEDGEMENT SLIP

Received from Mr./Mrs. \_\_\_\_\_ a bid form for \_\_\_\_\_ paid up Equity Shares of Madhuveer Com 18 Network Limited at a bid price of \_\_\_\_\_ per share

DEMAT SHAREHOLDER		PHYSICAL SHAREHOLDER	
DP ID NO.		TRANSFER FORM AND SHARE	
CLIENT ID NO		CERTIFICATES WITH NOS.	
ACKNOWLEDGEMENT			
UNIQUE CLIENT CODE (UCC)			
APPLICATION NUMBER			
DATE OF RECEIPT			
SIGNATURE OF OFFICIAL			

Authorized Signatory Stamp:

Date of Receipt: ..... Place: .....

Registrar to the Offer



#### BIGSHARE SERVICES PRIVATE LIMITED

Address: S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai – 400 093, Maharashtra

CIN: U99999MH1994PTC076534

Contact Person: Mr Maruti Eate

Tel No.: +91 22 62638200

E-mail Address: [openoffer@bigshareonline.com](mailto:openoffer@bigshareonline.com)

SEBI Reg. No. : INR000001385

## Form No. SH-4 - Securities Transfer Form

*[Pursuant to section 56 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules 2014]*

Date of execution: \_\_\_\_/\_\_\_\_/\_\_\_\_

**FOR THE CONSIDERATION** stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN: L93000GJ1995PLC026244

Name of the company (in full): MADHUVVEER COM 18 NETWORK LIMITED

Name of the Stock Exchange where the company is listed, (if any): BSE Limited (BSE)

### DESCRIPTION OF SECURITIES:

Kind/ Class of securities (1)			Nominal value of each unit of security (2)		Amount called up per unit of security (3)		Amount paid up per unit of security (4)	
Equity Shares			10/-		10/-		10/-	
No. of Securities being Transferred				Consideration received (Rs.)				
In figures		In words		In words			In figures	
Distinctive Number	From							
	To							
Corresponding Certificate Nos.								

### Transferors' Particulars

Registered Folio Number:

Name(s) in full

Signature(s)

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I, hereby confirm that the transferor has signed before me.

Signature of the Witness: \_\_\_\_\_ Name of the Witness: \_\_\_\_\_

Address of the Witness: \_\_\_\_\_

\_\_\_\_\_ Pincode: \_\_\_\_\_



### Transferee's Particulars

Name in full	Father's/ Mother's / Spouse Name	Address & E-mail id	Occupation	Existing folio No., if any.	Signature
(1)	(2)	(3)	(4)	(5)	(6)

Folio No. Transferee

Specimen Signature of Transferee

Value of stamp affixed: Rs.

Enclosures:

(1) Certificate of shares or debentures or other securities

(2) If no certificate is issued, letter of allotment.

(3) Others, specify \_\_\_\_\_

Stamps

For office use only

Checked by \_\_\_\_\_

Signature tallied by \_\_\_\_\_

Entered in the Register of Transfer on \_\_\_\_\_ vide Transfer no \_\_\_\_\_ Approval Date \_\_\_\_\_

Power of attorney/Probate /Death Certificate/ Letter of Administration

Registered on \_\_\_\_\_ at no. \_\_\_\_\_

On the reverse page of the certificate

Name of the Transferor

Name of the Transferee

No. of shares

Date of Transfer

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Signature of the Authorized Signatory