

February 7, 2020

General Manager
Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Vice President
Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, C-I, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai — 400 051.

Dear Sirs,

**Sub: Open Offer to the Public Shareholders of Indo Tech Transformers Limited (“Open Offer”)
– Letter of Offer**

This has reference to our earlier communication dated January 6, 2020, for submission of the Draft Letter of Offer for the Open Offer. In this regard, we are pleased to enclose herewith the Letter of Offer dated February 5, 2020 in compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended with a request to kindly upload the same on your website at the earliest.

Thanking You,

Yours truly,
For **Ernst & Young Merchant Banking Services LLP**


Gigg Mathew
Authorised Signatory
Enclosure: as above.



LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Letter of Offer will be sent to you as a Public Shareholder of **INDO TECH TRANSFORMERS LIMITED**. If you require any clarifications about the actions to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your Equity Shares, please hand over the Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement to the member of stock exchange through whom the said sale was effected.

SHIRDI SAI ELECTRICALS LIMITED (“Acquirer”)

An unlisted public limited company incorporated under the Companies Act, 1956
Registered Office: G Pulla Reddy Sweets Building, 3rd Floor, # 6-3-8-879/B, Greenland Road,
Begumpet, Hyderabad, Telangana 500 016, India.
Tel: +91 40 4003 5777; **eFax:** +91 80668 85668; **CIN:** U31401AP2010PLC069777

MAKES A CASH OFFER OF INR 115.60 (INDIAN RUPEES ONE HUNDRED AND FIFTEEN AND SIXTY PAISE ONLY) (“OFFER PRICE”) PER FULLY PAID UP EQUITY SHARE OF THE FACE VALUE OF INR 10 (INDIAN RUPEES TEN ONLY) EACH, TO ACQUIRE UPTO 27,24,375 (TWENTY SEVEN LAKHS TWENTY FOUR THOUSAND THREE HUNDRED AND SEVENTY FIVE) EQUITY SHARES, REPRESENTING 25.65% OF THE TOTAL PAID-UP EQUITY CAPITAL, UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERETO (“SEBI SAST REGULATIONS”) TO THE PUBLIC SHAREHOLDERS OF

INDO TECH TRANSFORMERS LIMITED (“Target Company”)

A listed public limited company incorporated under the Companies Act, 1956
Registered Office: S No. 153-210, Illuppapattu Village, Near Rajakulam, Chennai - Bangalore Highway, Kancheepuram, Tamil Nadu, 631 561, India
Tel: +91-44-37290518; **Fax:** +91-44-37290547; **CIN:** L29113TN1992PLC022011

1. This Offer is being made by the Acquirer pursuant to and in compliance with the provisions of Regulation 3(1) and Regulation 4 of the SEBI SAST Regulations.
2. This Offer is not a conditional offer in terms of Regulation 19 of the SEBI SAST Regulations and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
4. To the best of knowledge of the Acquirer, there are no statutory approvals required to complete the Open Offer as on the date of this Letter of Offer. If, however, any statutory approval becomes applicable prior to completion of such acquisition of Offer Shares, the Open Offer would also be subject to such statutory approval(s) and the Acquirer shall make the necessary applications for such approvals.
5. The Acquirer may withdraw the Offer in accordance with the terms and conditions specified in paragraph 6.3.2 of this Letter of Offer. 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 of such withdrawal, in the same newspapers in which the Detailed Public Statement had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.
6. The Offer Price may be subject to revision pursuant to the SEBI SAST Regulations or at the discretion of the Acquirer at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI SAST Regulations. Where the Acquirer has acquired any Equity Shares during the Offer Period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI SAST Regulations. However, the Acquirer shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period. In the event of such revision, the Acquirer shall (i) make corresponding increases to the Escrow Amount; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer.
7. There has been no competing offer as of the date of this Letter of Offer.
8. Unless otherwise stated, the information set out in this Letter of Offer reflects the position as of the date hereof.
9. A copy of the Public Announcement, the Detailed Public Statement, the Draft Letter of Offer and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) is also available/ expected to be available on the website of the Securities and Exchange Board of India (www.sebi.gov.in).

All future correspondence, if any, should be addressed to the Manager to the Offer or the Registrar to the Offer at the addresses mentioned below:

Manager to the Offer	Registrar to the Offer
 Ernst & Young Merchant Banking Services LLP* 14th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar West, Mumbai - 400028, India Tel: +91-22-6192 0000; Fax: +91-22-6192 1000 Website: www.ey.com/india ; Email: itlopenoffer@in.ey.com Investor grievance e-mail: investorgrievances@in.ey.com Contact Person: Mr. Chintan Hefa SEBI Registration No.: INM000010700	 Link Intime India Private Limited C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083, Tel: + 91-22-4918 6200; Fax: + 91-22-4918 6195 Website: www.linkintime.co.in Email: indotechtransformers.offer@linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration Number: INR000004058

*Ernst & Young Merchant Banking Services Pvt. Ltd., (a company with registration no. U67120MH2000PTC129109) converted into Ernst & Young Merchant Banking Services LLP (a Limited Liability Partnership with LLP Identity No. AAO-2287) effective February 7, 2019.

The schedule of major activities under the Offer is as follows:

Sl. No.	Activity	Original Schedule of activities (as disclosed in the Draft Letter of Offer)	Revised Schedule
		(Day and Date)	(Day and Date)
1.	Issue of the Public Announcement	Friday, December 20, 2019	Friday, December 20, 2019
2.	Date of publishing the Detailed Public Statement in newspapers	Monday, December 30, 2019	Monday, December 30, 2019
3.	Last date of filing of the Draft Letter of Offer with SEBI	Monday, January 06, 2020	Monday, January 06, 2020
4.	Last date for public announcement for competing offer(s)*	Monday, January 20, 2020	Monday, January 20, 2020
5.	Last date for receipt of SEBI observations on the Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Monday, January 27, 2020	Wednesday, January 29, 2020
6.	Identified Date [#]	Wednesday, January 29, 2020	Friday, January 31, 2020
7.	Last date by which the Letter of Offer is to be dispatched/ mailed to the Public Shareholders whose name appears on the register of members on the Identified Date	Wednesday, February 05, 2020	Friday, February 7, 2020
8.	Last date by which the committee of the independent directors of the Target Company shall give its recommendation to the Public Shareholders of the Target Company for this Offer	Monday, February 10, 2020	Wednesday, February 12, 2020
9.	Last date for upward revision of the Offer Price	Monday, February 10, 2020	Wednesday, February 12, 2020
10.	Date of publication of Offer opening public announcement in the newspapers in which this Detailed Public Statement has been published	Tuesday, February 11, 2020	Thursday, February 13, 2020
11.	Date of commencement of the Tendering Period (“Offer Opening Date”)	Wednesday, February 12, 2020	Friday, February 14, 2020
12.	Date of closure of the Tendering Period (“Offer Closing Date”)	Thursday, February 27, 2020	Monday, March 2, 2020
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders of the Target Company	Friday, March 13, 2020	Tuesday, March 17, 2020
15.	Last date for publication of post-Offer public announcement in the newspapers in which this Detailed Public Statement has been published	Friday, March 20, 2020	Tuesday, March 24, 2020

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

[#] Date falling on the 10th Working Day prior to the commencement of the Tendering Period. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be dispatched/ mailed. It is clarified that all the Public Shareholders (registered or unregistered) who own Equity Shares of the Target Company are eligible to participate in the Offer at any time during the Tendering Period.

Risk Factors

The risk factors set forth below pertain to the Underlying Transaction, this Offer and association with the Acquirer and are not in relation to the present or future business operations of the Target Company or other related matters. These risks are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or associated with the Acquirer. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a Public Shareholder in this Offer and are merely indicative. Public Shareholders are advised to consult their stockbrokers, investment consultants and/or tax advisors, for analyzing all the risks with respect to their participation in this Offer.

For capitalized terms used herein please refer to 'Definitions/ Abbreviations' set out below:

A. Risk factors relating to the Underlying Transaction

1. As on the date of this Letter of Offer, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete the acquisitions under the SPA. The completion of the acquisition under the SPA are conditional upon the SPA Conditions being satisfied or waived (as the case may be). In the event the SPA Conditions are not met for reasons outside the reasonable control of the Acquirer, then the SPA may be rescinded and this Offer may be withdrawn, subject to applicable law.
2. For the Transaction, the Acquirer is required to procure a no-objection certificate from its lenders, in terms of its lending documents. Accordingly, the Acquirer has already made an application for procuring the same. The Acquirer intends to complete the Open Offer even if the no-objection certificates are not received by the completion of the Open Offer.

B. Risk factors relating to the Offer

1. The Acquirer may withdraw the Offer in accordance with the conditions specified in paragraph 6.3.2 of this Letter of Offer. 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 of such withdrawal, in the same newspapers in which the Detailed Public Statement had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.
2. As on the date of this Letter of Offer, to the best of knowledge of the Acquirer, there are no statutory approvals required to complete the Open Offer. If, however, any statutory approval becomes applicable prior to completion of such acquisitions, the Open Offer would also be subject to such statutory approval(s) and the Acquirer shall make the necessary applications for such approvals. In terms of Regulation 23 of the SEBI SAST Regulations, in the event that the approvals (in relation to the acquisition of the Offer Shares) specified in this Letter of Offer as set out in paragraph 6.3 (*Statutory and Other Approvals*) or those which become applicable prior to completion of the Offer are not received, for reasons outside the reasonable control of the Acquirer, then the Acquirer shall have the right to withdraw this Offer. In the event of such a withdrawal of the Offer, the Acquirer (through the Manager to the Offer) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations. In such an event, the Acquirer shall not acquire the Equity Shares pursuant to the SPA as well.
3. In the event of any litigation leading to a stay on this Offer by a court of competent jurisdiction; or SEBI instructing the Acquirer not to proceed with this Offer, the Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this Offer as well as the return of the Equity Shares not validly accepted in this Offer by the Acquirer, may be delayed.
4. The Public Shareholders should note that, under the SEBI SAST Regulations, once the Public Shareholders have tendered their Equity Shares in the Offer, they will not be entitled to withdraw their Equity Shares from the Offer during the Tendering Period even if the acceptance of the Equity Shares in this Offer and/or the dispatch of consideration are delayed.
5. The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer/ Clearing Corporation, on behalf of the Public Shareholders who have tendered their Equity Shares, till the completion of the formalities of this Offer, and the Public Shareholders who have tendered their Equity Shares will not

be able to trade in such Equity Shares held in trust by the Registrar to the Offer/ Clearing Corporation during such period, even if the acceptance of the Equity Shares in this Offer and/or dispatch of payment consideration are delayed. Further, during such period, there could be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. Accordingly, the Acquirer makes no assurance with respect to the market price of the Equity Shares both during the Tendering Period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision of any Public Shareholder on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

6. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer who are resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer, or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.
7. Non-resident holders and Overseas Corporate Bodies (“OCBs”) holders must obtain all requisite approvals required, if any, to tender their part of the Offer Shares (including without limitation, the approval from the Reserve Bank of India (“RBI”), if required), in the Offer 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 held by them, 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. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
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 Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.
9. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in this Letter of Offer, the Detailed Public Statement, the Public Announcement or in the advertisement or any materials issued by or at the instance of the Acquirer (excluding all information pertaining to the Target Company, which has been obtained from publicly available sources or provided or confirmed by the Target Company).
10. The Acquirer and the Manager to the Offer make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholders on whether or not to participate in this Offer.
11. This Offer is subject to completion risks as would be applicable to similar transactions.

C. Probable risks involved in associating with the Acquirer

1. The Acquirer makes no assurance with respect to their investment or divestment decisions relating to its proposed shareholding in the Target Company.
2. The Acquirer makes no assurance with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company and expressly disclaim their responsibility with respect to any decision by the Public Shareholders on whether or not to participate in this Offer.
3. The Acquirer makes no assurance with respect to the market price of the Equity Shares before, during or after

this Offer and expressly disclaim their responsibility or obligation of any kind with respect to any decision by any Public Shareholders on whether or not to participate in this Offer.

4. If the public shareholding in the Target Company falls below the prescribed minimum level required for continued listing as a result of the Open Offer, the Acquirer is required to take appropriate action in compliance with applicable securities laws in India to ensure compliance with the conditions of the SCRR and the SEBI LODR Regulations. Any failure to do so could have an adverse effect on the price of the Equity Shares.
 5. The information pertaining to the Target Company and/or the Seller contained in the Public Announcement or the Detailed Public Statement or this Letter of Offer or any other advertisement/ publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or the Seller, as the case may be, or publicly available sources. The Acquirer does not accept any responsibility with respect to any misstatement by the Target Company and/or the Seller in relation to such information.
- D. The acquisition of Equity Shares pursuant to the Transaction may result in the public shareholding of the Target Company falling below the level required for continued listing as prescribed under Regulation 38 of the SEBI LODR Regulations read with Rule 19A of the SCRR. While the Acquirer is required to reduce its shareholding in the Target Company within the time period specified in the SCRR in compliance with SEBI SAST Regulations, any failure to comply with the aforesaid regulations could have an adverse effect on the price and tradability of the Equity Shares.**

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DEFINITIONS/ABBREVIATIONS

Term	Definition/Details
Acquirer	Shirdi Sai Electricals Limited
Beneficial Owner	Beneficial owners of the Equity Shares, whose names appeared as beneficiaries on the records of their respective DP at the close of business hours on the Identified Date or at any time before the closure of the Tendering Period.
Board	The board of directors of the Target Company
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clearing Corporation	Clearing Corporation of India Limited
Closing Date	The date on which, <i>inter alia</i> , the purchase of Sale Shares by the Acquirer from the Seller and the payment of Sale Consideration by the Seller to the Acquirer, is completed in accordance with the SPA
Depositories	CDSL and NSDL
Detailed Public Statement / DPS	The detailed public statement dated December 28, 2019 in connection with the Offer, published on behalf of the Acquirer on December 30, 2019 in Financial Express (English, all editions), Jansatta (Hindi, all editions), Makkal Kural (Tamil, Chennai edition) and Mumbai Lakshadeep (Marathi, Mumbai edition) and filed with the BSE, NSE and SEBI and sent to the Target Company on December 30, 2019
DIN	Director Identification Number
DP	Depository Participant
Draft Letter of Offer / DLoF	The draft letter of offer dated January 4, 2020, filed with the SEBI pursuant to Regulation 16(1) of the SEBI SAST Regulations
Equity Share Capital	The total equity/voting share capital of the Target Company as on the date of the PA, being INR 10,62,00,000 (Indian Rupees Ten Crore and Sixty Two Lakh only) consisting of 1,06,20,000 (One Crore Six Lakhs and Twenty Thousand) Equity Shares
Equity Share(s)	Fully paid-up equity shares of face value of INR 10 (Indian Rupees Ten only) each of the Target Company
Escrow Account	Escrow account under the name and title of 'Shirdi Sai Open Offer Escrow Account' bearing account number 22860003 with the Escrow Agent
Escrow Amount	The amount deposited by the Acquirer in Escrow Account, being INR 7,90,00,000 (Indian Rupees Seven Crore and Ninety Lakh only), in compliance with Regulation 17 of the SEBI SAST Regulations.
Escrow Agent	Citi Bank N.A., a national banking association duly constituted in accordance with the laws of the United States of America, and carrying on the business of banking in India as a scheduled commercial bank, having an office at 11th Floor, First International Financial Centre, C-54 & 55, G Block, Bandra Kurla Complex, Bandra – East, Mumbai – 400 051, India.
Escrow Agreement	Escrow agreement dated December 19, 2019 entered into between the Acquirer, the Manager to the Offer and the Escrow Agent
FATCA	Foreign Account Tax Compliance Act
FEMA	Foreign Exchange Management Act, 1999 (as amended)
FPI	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended, registered with SEBI under applicable laws in India
Identified Date	January 31, 2020 i.e., the date falling on the 10 th (Tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent
Income Tax Act	Income Tax Act, 1961 (as amended)
ICAI	The Institute of Chartered Accountants of India

Term	Definition/Details
IPV	In-person verification
Letter of Offer	This Letter of Offer dated February 5, 2020
Manager to the Offer	Ernst & Young Merchant Banking Services LLP
Maximum Open Offer Consideration	INR 31,49,37,750 (Indian Rupees Thirty One Crore Forty Nine Lakh Thirty Seven Thousand Seven Hundred and Fifty only) being the total consideration payable to the Public Shareholders by the Acquirer pursuant to the Offer
NSDL	National Securities Depository Limited
NRIs	Non-resident Indians (as defined under the applicable regulations issued under the FEMA)
NSE	National Stock Exchange of India Limited
OCBs	Overseas corporate bodies (as defined under the applicable regulations issued under the FEMA)
Offer / Open Offer	Open offer for acquisition of up to 27,24,375 (Twenty Seven Lakh Twenty Four Thousand Three Hundred and Seventy Five) Equity Shares, representing 25.65% of the total paid- up Equity Share Capital, from the Public Shareholders at an Offer Price of INR 115.60 (Indian Rupees One Hundred and Fifteen and Sixty Paise only) per Equity Share
Offer Opening Date	Date of commencement of the Tendering Period i.e., February 14, 2020
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirer at least 1 (one) Working Day prior to the commencement of Tendering Period
Offer Closing Date	Date of closure of the Tendering Period i.e., March 2, 2020
Offer Period	Period commencing from December 20, 2019 till the date on which the payment of consideration to the Public Shareholders who have accepted the Offer is made, or the date on which Offer is withdrawn, as the case may be.
Offer Price	INR 115.60 (Indian Rupees One Hundred and Fifteen and Sixty Paise only) per Equity Share
Offer Shares	27,24,375 (Twenty Seven Lakhs Twenty Four Thousand Three Hundred and Seventy Five) Equity Shares
Offer Size	Offer Shares representing 25.65% of the total paid- up Equity Share Capital of the Target Company
OSV	Original seen and verified
PAN	Permanent Account Number
Paid-Up Share Capital	Means the paid up equity share capital of the Target Company as on the date of the Public Announcement
Public Announcement / PA	The public announcement dated December 20, 2019, in connection with the Offer issued by the Manager to the Offer on behalf of the Acquirer, and submitted to the Stock Exchanges and the Target Company on December 20, 2019 and to SEBI on December 23, 2019
Public Shareholders	All the equity shareholders of the Target Company who are eligible to tender their Equity Shares in the Open Offer, except: (i) the Acquirer; (ii) parties to the SPA; and (iii) the persons acting or deemed to be acting in concert with parties as set out in (i) and (ii)
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited having its registered office at C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083
Residual Equity Shares	5,29,593 (Five Lakh Twenty Nine Thousand Five Hundred and Ninety Three) Equity Shares of the Target Company held by the Seller on the SPA Date, constituting 4.99% of the Equity Share Capital as of the SPA Date
Sale Consideration	The consideration to be paid by the Acquirer to the Seller for the

Term	Definition/Details
	purchase of Sale Shares in accordance with the SPA, including the applicable Indian foreign exchange regulations
Sale Shares	73,66,032 (Seventy Three Lakh Sixty Six Thousand and Thirty Two) Equity Shares representing 69.36% of the total paid-up equity share capital of the Target Company, held by the Seller as of the SPA Date
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, as amended
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Seller	Prolec GE Internacional, S.De R.L. De C.V
SPA	Share purchase agreement, dated December 20, 2019, executed between the Acquirer and the Seller pursuant to which the Acquirer has agreed to acquire from the Seller, 73,66,032 (Seventy Three Lakh Sixty Six Thousand and Thirty Two) Equity Shares of the Target Company, representing 69.36% of the total paid-up equity share capital of the Target Company at a price of INR 94.51 (Indian Rupees Ninety Four and Fifty One Paise only) per Equity Share
SPA Conditions	The Seller's conditions precedent and the Acquirer's conditions precedent as set out in paragraph 2.1.3.4 and paragraph 2.1.3.5 of this Letter of Offer, respectively
SPA Date	The execution date of the SPA i.e., December 20, 2019
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Target Company / Target	Indo Tech Transformers Limited, having its registered office at S No. 153-210, Illuppapattu Village, Near Rajakulam, Chennai - Bangalore Highway, Kancheepuram, Tamil Nadu, 631 561, India
Tendering Period	February 14, 2020 to March 2, 2020, both days inclusive
Transaction	the Underlying Transaction and the Open Offer
Underlying Transaction	Transaction in terms of the SPA, pursuant to which the Acquirer shall acquire 73,66,032 (Seventy Three Lakh Sixty Six Thousand and Thirty Two) Equity Shares of the Target Company, representing 69.36% of the total paid-up equity share capital at a price of INR 94.51 (Indian Rupees Ninety Four and Fifty One Paise only) per Equity Share, from the Seller, in accordance with the terms of the SPA
USA/ U.S.	United States of America
Working Day	Working day of the Securities and Exchange Board of India, in Mumbai

Note: All capitalized terms used in this Letter of Offer and not specifically defined herein, shall have the meanings ascribed to them in the SEBI SAST Regulations.

1. Disclaimers

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF INDO TECH TRANSFORMERS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, ERNST & YOUNG MERCHANT BANKING SERVICES LLP HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JANUARY 6, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

Disclaimer for U.S. Persons

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

Disclaimer for Persons in other Foreign Countries

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

Currency of Presentation

In this Letter of Offer, all references to “Rs.”/“INR”/ “₹” are to Indian Rupee(s), the official currency of India. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

2. Details of the Offer

2.1 Background of the Offer

2.1.1 This Offer is a mandatory open offer made by the Acquirer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations pursuant to the execution of SPA to acquire in excess of 25% of the Equity Share Capital of the Target Company and control over the Target Company. The Public Announcement announcing the Open Offer, under Regulations 3(1) and 4 read with Regulation 15(1) of the SEBI SAST Regulations, was released to the Stock Exchanges on December 20, 2019.

2.1.2 The SPA was executed on December 20, 2019. Pursuant to the SPA, the Acquirer has agreed to acquire from the Seller, being promoter of the Target Company, 73,66,032 (Seventy Three Lakh Sixty Six Thousand and Thirty Two) Equity Shares of the Target Company, representing 69.36% of the total paid-up equity share capital for cash at a price of INR 94.51 (Indian Rupees Ninety Four and Fifty One Paise only) per Equity Share. The Underlying Transaction is subject to receipt of such statutory approvals, as may be required and satisfaction of certain other conditions precedent specified in the SPA.

2.1.3 The salient features of the SPA are set out below:

2.1.3.1 Subject to the terms and conditions set out in the SPA, the Acquirer has agreed to purchase the Sale Shares from the Seller and the Seller has agreed to sell and transfer to the Acquirer, the Sale Shares, free from any Encumbrances (*as defined in the SPA*) and together with all rights, title and interests against the payment of the Sale Consideration by the Acquirer on the Closing Date.

2.1.3.2 Sale Consideration shall be subject to certain pre-closing adjustments based on the net debt and net working capital of the Target Company prior to the Closing Date; however, the price per Equity Share to be paid by the Acquirer to the Seller pursuant to the Underlying Transaction shall not exceed the Offer Price.

2.1.3.3 For the Underlying Transaction, the Acquirer shall pay the Sale Consideration to the Seller in the following manner:

- a) A sum equal to 90% (Ninety Percent) of the Sale Consideration to the Seller on the date on which the Seller transfers the Sale Shares to the Acquirer in accordance with the SPA; and
- b) A sum equal to 10% (Ten Percent) of the Sale Consideration in an escrow account (opened by the Seller) in terms of the SPA, for a period of 12 months from the closing of the Underlying Transaction or 18 months from the date of the SPA, whichever is earlier.

2.1.3.4 Seller's Conditions Precedent: The obligation of the Acquirer to purchase the Sale Shares and pay the Sale Consideration is conditional upon fulfilment by the Seller or waiver by the Acquirer, *inter alia*, of the following conditions precedent:

- a) The Seller shall ensure that all necessary corporate approvals and authorizations for the Underlying Transaction are obtained;
- b) No Material Adverse Change (*as defined in the SPA*) shall have occurred between the SPA Date and the Closing Date;
- c) The Target Company having obtained the necessary approvals of the lenders and Third Parties (*as defined in the SPA*) in accordance with the SPA; and
- d) The Target Company having obtained the necessary approvals from governmental authorities (if required) in accordance with the SPA.

- 2.1.3.5 Acquirer's Conditions Precedent: The obligation of the Seller to sell the Sale Shares to the Acquirer is conditional upon fulfilment by the Acquirer or waiver by the Seller (as the case may be), of the following conditions precedent:
- a) completion of Open Offer in accordance with SEBI (SAST) Regulations by the Acquirer; and
 - b) Acquirer having obtained the approval of the lead member of consortium of banks for purchase of Sale Shares from the Seller.
- 2.1.3.6 After the completion of Open Offer and at least three days prior to the Closing Date, the Seller has to ensure that the Target Company executes: (a) 2 (two) separate trademark license agreements, in a form and manner acceptable to the parties to the SPA and parties to the agreements: (i) 1 (one) to be executed with Xignux, S.A. de C.V. and Prolec S.A. de C.V.; and (ii) other 1 (one) to be executed with Monogram Licensing Inc. and Monogram Licensing International Inc.; and (b) the transition services agreement with the Seller, in a form and manner acceptable to the parties to the SPA and parties to the agreement, which agreements shall be effective from the Closing Date.
- 2.1.3.7 The SPA contains mutual customary representations and warranties, including in relation to compliance with applicable laws, subject to the disclosures (if any) between the Acquirer and the Seller.
- 2.1.3.8 Parties have given indemnities to each other as set out in the SPA.
- 2.1.3.9 The Seller is subject to certain non-compete and non-solicit restrictions as set out in the SPA, without any additional consideration.
- 2.1.3.10 Re-classification of the Seller: The Acquirer, as soon as possible after completion of the Underlying Transaction and in any event no later than 6 (six) months from the date of compliance with the minimum public shareholding requirement with respect to the Target Company, shall make best efforts to procure that the board of the Target Company seeks approval of the shareholders of the Target Company to re-classify the Seller from the 'promoter and promoter group' of the Target Company to 'public' and such re-classification shall take place subject to receipt of necessary approvals in terms of the SEBI (LODR) Regulations and conditions prescribed therein.
- 2.1.3.11 Lock-in: The Seller has agreed that from SPA Date until a period of 30 (Thirty) days from the third anniversary of Closing Date it shall not, directly or indirectly, transfer any Residual Equity Shares of the Company, except as provided in the SPA.
- 2.1.3.12 Call Option: The Acquirer has the right (but not an obligation) for a period of three years from the Closing Date to acquire the Residual Equity Shares held by the Seller in the Target Company at a price per Equity Share ("**Option Price**") which is lower of the: (a) Sale Share Price; and (b) the Fair Market Value, in each case calculated as per Equity Share basis and the Seller shall have an obligation to sell such Residual Equity Shares.
- 2.1.3.13 Put Option: If the Acquirer fails to exercise its call option within 3 (Three) years of the Closing Date, the Seller has the right (but not an obligation), for a period of 6 (Six) months, to sell to the Acquirer all Residual Equity Shares held by the Seller and/or its Affiliates (*as defined in the SPA*) (if applicable) and the Acquirer shall have an obligation to buy such Residual Equity Shares at the Option Price.
- 2.1.3.14 Material Adverse Impact: If in the opinion of the Seller, any Material Adverse Impact (*as defined in the SPA*) occurs after the Closing Date, the Seller has the right to call the Acquirer to purchase the Residual Equity Shares at the Option Price.

- 2.1.4 The proposed acquisition of Equity Shares and voting rights in and control by the Acquirer over the Target Company is through SPA, as described above.
- 2.1.5 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of the directions issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 2.1.6 There are no directors on the Board of the Target Company directly representing the Acquirer.
- 2.1.7 All the Offer Shares validly tendered and accepted in this Offer in accordance with and subject to the terms and conditions contained in the Public Announcement, the Detailed Public Statement, and the Letter of Offer, will be acquired by the Acquirer.
- 2.1.8 The Manager to the Offer does not hold any Equity Shares of the Target Company.
- 2.1.9 The Offer is a mandatory offer and is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI SAST Regulations and is not a competitive bid in terms of Regulation 20 of the SEBI SAST Regulations.
- 2.1.10 As per Regulation 26(6) of the SEBI SAST Regulations, the Board of the Target Company is required to constitute a committee of independent directors to provide their written reasoned recommendation on the Offer to the Public Shareholders and such recommendations shall be published, at least 2 (two) Working Days before the commencement of the Tendering Period, in the newspapers in compliance with Regulation 26(7) of the SEBI SAST Regulations.
- 2.1.11 The Acquirer does not have any 'person acting in concert' with it, as defined in Regulation 2(1)(q)(1) of the SEBI SAST Regulations, for the purpose of this Offer.
- 2.1.12 The current and proposed shareholding of the Acquirer in the Target Company and the details of such acquisitions are as follows:

Details of Shareholding	Acquirer	
	No. of Equity Shares	%age
As on the date of the Public Announcement (i.e. December 20, 2019)	Nil	Nil
Acquired between the date of the Public Announcement (i.e. December 20, 2019) and the date of the Detailed Public Statement	Nil	Nil
As on the date of the Detailed Public Statement	Nil	Nil
Post Offer shareholding (assuming full acceptance, on diluted basis, as on the 10 th Working Day after the closure of the Tendering Period)	27,24,375	25.65
Shareholding after the completion of the Transaction (assuming full acceptance in the Offer)	1,00,90,407	95.01

- 2.1.13 As on the date of this Letter of Offer, neither the Acquirer nor any of its directors hold any Equity Shares in the Target Company.
- 2.1.14 As on the date of this Letter of Offer, the Acquirer does not propose any change in the Board during the Offer Period.

2.2 Details of this Offer

- 2.2.1 The Public Announcement in connection with the Offer was made by the Manager to the Offer on behalf of the Acquirer to the Stock Exchanges on December 20, 2019 and a copy thereof was also filed with SEBI on December 23, 2019. The copy of PA was also submitted to the Target Company on December 20, 2019.
- 2.2.2 In accordance with Regulation 14(3) of SEBI SAST Regulations, the Detailed Public Statement

in connection with the Offer was published by the Manager to the Offer on behalf of the Acquirer on December 30, 2019 in the following newspapers:

Newspaper	Language	Edition
Financial Express	English	All
Jansatta	Hindi	All
Makkal Kural	Tamil	Chennai
Mumbai Lakshadeep	Marathi	Mumbai

The Detailed Public Statement was also submitted to SEBI and Stock Exchanges and sent to the Target Company on December 30, 2019.

2.2.3 The Public Announcement and the Detailed Public Statement are also available on the website of SEBI at www.sebi.gov.in.

2.2.4 This Offer is being made by the Acquirer to all the Public Shareholders of the Target Company in terms of Regulation 3(1) and 4 of SEBI SAST Regulations, to acquire up to 27,24,375 (Twenty Seven Lakhs Twenty Four Thousand Three Hundred and Seventy Five) fully paid-up Equity Shares, representing 25.65% of the total paid-up equity share capital at an offer price of INR 115.60 (Indian Rupees One Hundred and Fifteen and Sixty Paise only) per Equity Share aggregating to a total consideration of INR 31,49,37,750 (Indian Rupees Thirty One Crore Forty Nine Lakh Thirty Seven Thousand Seven Hundred and Fifty only). The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI SAST Regulations.

2.2.5 As on the date of this Letter of Offer, the total equity share capital of the Target Company is as follows:

Particulars	Number of Equity Shares	Equity Share Capital (INR)	% of Equity Share Capital
Fully paid up Equity Shares	1,06,20,000	10,62,00,000	100%
Partly paid up Equity Shares	Nil	Nil	Nil
Total	1,06,20,000	10,62,00,000	100%

2.2.6 There is no differential pricing for this Offer.

2.2.7 This Offer is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.

2.2.8 The Offer is not conditional on any minimum level of acceptance by the Public Shareholders in terms of Regulation 19 of the SEBI SAST Regulations.

2.2.9 As on the date of this Letter of Offer, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete the acquisitions under the SPA. The completion of the acquisition under the SPA are conditional upon the SPA Conditions being satisfied or waived (as the case may be). In the event the SPA Conditions are not met for reasons outside the reasonable control of the Acquirer, then the SPA may be rescinded and this Offer may be withdrawn, subject to applicable law. In the event of withdrawal of this Offer, in accordance with the provisions of Regulation 23(2) of the SEBI SAST Regulations, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the Detailed Public Statement has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

2.2.10 To the best of knowledge of the Acquirer, there are no statutory approvals required to complete the Open Offer as on the date of this Letter of Offer. If, however, any statutory approval becomes applicable prior to completion of such acquisitions, the Open Offer would also be subject to such statutory approval(s) and the Acquirer shall make the necessary applications for such approvals.

2.2.11 The Acquirer has not acquired any Equity Shares between the date of PA, i.e., December 20, 2019 and the date of this Letter of Offer.

2.2.12 The Acquirer will acquire all the Equity Shares validly accepted in this Offer.

2.2.13 The Equity Shares will be acquired by the Acquirer as fully paid-up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, and the tendering Public Shareholders shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.

2.2.14 The Equity Shares are listed on BSE and NSE. As per Regulation 38 of the SEBI LODR Regulations read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25% (twenty five percent) public shareholding, as determined in accordance with SCRR, on a continuous basis for listing. If, pursuant to this Offer, the public shareholding in the Target Company falls below the minimum level required as per the SEBI LODR Regulations read with Rule 19A of the SCRR, in terms of the SPA, the Acquirer has agreed to reduce their shareholding in the Target Company in a manner specified therein, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

2.2.15 The Manager to the Offer shall not deal, on their own account, in the Equity Shares of the Target Company during the Offer Period.

2.3 Details of the Seller under the SPA

2.3.1 The Seller is a limited liability company incorporated on March 23, 1998 under the name Lumisistemas-GE, S. de R.L. de C.V., under the laws of Mexico, with its registered office located at Blvd. Carlos Salinas de Gortari KM 9.25, Apodaca, Nuevo Leon, Mexico, CP 66600. The name was further changed to Prolec-GE Internacional, S.de R.L. de C.V. on September 24, 2007.

2.3.2 The Seller was formed as a joint venture between Xignux and General Electric Company. Xignux is a Mexico based group with significant presence in the electricity, infrastructure and food sectors.

2.3.3 The Seller is engaged in designing, manufacturing, and selling products and solutions for the generation, transmission, and distribution of electrical energy.

2.3.4 As on the date of this Letter of Offer, the Seller is the 'Promoter' of the Target Company, and holds 78,95,625 Equity Shares representing 74.35% of the Equity Share Capital of the Target Company.

2.3.5 The securities of the Seller are not listed on any stock exchanges, in India or abroad.

2.3.6 The Seller has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or any other regulations made thereunder.

2.4 Objects of the Acquisition / Offer

2.4.1 The Offer is being made as a result of the acquisition of more than 25% of the Equity Shares, voting rights and control of the Target Company by the Acquirer resulting in a change of control of the Target Company in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations. Following the completion of the Offer, the Acquirer intends to work with the employees of the Target Company to accelerate its growth. The Target Company is engaged in the business of manufacturing power and distribution transformers, various special application transformers, and skid mounted sub-stations. The Acquirer proposes to continue with the existing activities.

2.4.2 **Object and purpose of acquisition and strategic intent and future plans:** The acquisition will help the Acquirer (a) to expand its business in the power transformer business, (b) consolidate its position in south India for the transformer business, (c) to create a strong foothold in power transmission and distribution sector, and (d) to use the manufacturing

facilities of the Target Company at an optimum level by bringing in its expertise in manufacturing operations.

2.4.3 Upon consummation of the Transaction, the Acquirer will acquire control over the Target Company and will become a promoter of the Target Company, including in accordance with the provisions of SEBI LODR Regulations.

2.4.4 Currently, the Acquirer does not have any intention to dispose-off or otherwise encumber any assets or investments of the Target Company, through sale, lease, encumbrance, reconstruction, restructuring or otherwise, other than (i) in the ordinary course of business, (ii) on account of compliance with any law that is or becomes binding on or applicable to the operations of the Target Company, or (iii) as has already disclosed by the Target Company in the public domain. If the Acquirer intends to alienate any material asset of the Target Company within a period of 2 (two) years from the date of completion of this Offer, a special resolution of the shareholders of the Target Company, as applicable, in accordance with the proviso to Regulation 25(2) of the SEBI SAST Regulations would be taken before undertaking any such alienation of any material assets.

2.4.5 The Acquirer has not formulated any proposal as on the date of this Letter of Offer which may have an adverse material impact on the employees of the Target Company and the locations of its places of business.

3. Background of the Acquirer

3.1 The Acquirer is an unlisted public limited company and was incorporated on July 30, 2010 under the Companies Act, 1956, promoted by Mr. N. Visweswara Reddy. There has been no change in the name of the Acquirer since the time of its incorporation.

3.2 The registered office of the Acquirer is situated at G Pulla Reddy Sweets Building, 3rd Floor, # 6-3-8-879/B, Greenland Road, Begumpet, Hyderabad, Telangana 500 016, India.

3.3 The principal activity of the Acquirer is manufacturing of power and distribution transformers and an EPC player in power and distribution sector.

3.4 The shareholding pattern of the promoter and promoter group of the Acquirer, as on December 31, 2019 is as under:

Sl No	Name	No. of shares	% holding
1	Promoter & Promoter Group	2,99,93,001	99.75%
1	Mr. N. Visweswara Reddy	2,04,83,199	68.13%
2	Ms. N. Pratibha	39,64,676	13.19%
3	Ms. N. Reddy Radha	47,77,787	15.89%
4	Mr. N. Karunakara Reddy	3,01,014	1.00%
5	Ms. N. Lavanya	4,66,325	1.55%
2	FII/ Mutual-Funds/ FIs/ Banks	NIL	NIL
3	Public	73,599	0.25%
Total		3,00,66,600	100.00

3.5 The Acquirer does not belong to any group. No person is acting in concert with the Acquirer for the purpose of this Open offer

3.6 The securities of the Acquirer are not listed on any stock exchange in India or abroad.

3.7 The management board of the Acquirer comprises of 4 (four) directors, namely, (a) Mr. N Visweswara Reddy, Managing Director; (b) Ms. N Radha Reddy, Whole-time Director; (3) Mr. Vinod Masson, Whole-time Director; and (d) Mr. M Vikram Ravindra, Independent Director.

3.8 Neither the Acquirer nor its directors or key employees have any relationship or interest in the Target Company except for the Underlying Transaction. Further, there are no common directors on the board of

the Acquirer and the Target Company.

3.9 Neither the Acquirer nor any of its directors hold any Equity Shares or voting rights in the Target Company. The Acquirer has not acquired any Equity Shares of the Target Company after the date of the PA.

3.10 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B of the SEBI Act or any other regulations made thereunder.

3.11 The details of the directors of the Acquirer are:

Sl. No.	Name	Details of the experience	Details of the qualifications
1	N Visweswara Reddy Date of Appointment: July 30, 2010 DIN: 02996298	N Visweswara Reddy is the promoter and managing director and a graduate in mechanical engineering having over 25 years of experience. He has been instrumental in formulating and implementing strategies and policies of the company.	Graduate Mechanical Engineer
2	N Radha Reddy Date of Appointment: July 30, 2010 DIN: 02996305	N Reddy Radha is an executive and whole-time director. Since the inception of the company, she has been actively involved in shaping the policies for women workers. She also closely monitors the employee welfare activities and corporate social responsibility activities of the organization.	Bachelor of Arts in HEP (History Economics Politics)
3	Vinod Masson Date of Appointment: May 01, 2018 DIN: 00059587	Vinod Masson is an executive and whole-time director and a BE Electrical engineer from VJTI, Mumbai. He has over 45 years of experience in the Power Sector in Indian and global markets. He started his career with Crompton Greaves Limited in the year 1972 as Graduate Trainee and rose to become Head of the Transformer Business Group as Vice President for nine years. In the year 2004, he became Managing Director of CG Capital & Investments. He was Instrumental in setting up first Gas based Captive Power Plant for Crompton Greaves Limited at Malanpur. He worked as Advisor for Avantha Power & Infrastructure Limited. during February 2007 to February 2009. During the course of his working, he was trained at IIM Ahmedabad, JUSE Japan and attended Advanced Management Program conducted by AIIMA with Faculty from Harvard Business School. He was also a board member of Transformers & Rectifiers (India) Limited.	BE Electrical
4	M Vikram Ravindra Date of Appointment: June 18, 2018 DIN: 00008241	M Vikram Ravindra is non-executive and independent director and has over 30 years of experience in corporate finance, rehabilitation, mergers and acquisitions, takeovers, equity and debt syndication.	Chartered Accountant

3.12 The key audited financial information of the Acquirer as at and for the financial years ended March 31, 2019, March 31, 2018 and March 31, 2017 and the unaudited financial information for the six months period ended September 30, 2019, subjected to limited review are as given below. In this regard, please note that the key financial information of the Acquirer as at and for the financial years ended March 31, 2019 and March 31, 2018 have been extracted from the audited financial information of March 31, 2019 and the information pertaining to March 31, 2017 has been extracted from comparative financial information in the audited financial statements as at and for the financial year ended March 31, 2018.

The financial information for the six months period ended September 30, 2019, of the Acquirer, has been extracted from the unaudited limited reviewed financial information for such period:

Profit & Loss Account

(All figures in INR lakhs)

Particulars	Unaudited for	Audited for the year ended 31 March-		
	Six months ended September 30, 2019 (IND-AS)	2019 (IND-AS)	2018 (IND-AS)	2017 (IGAAP)
Revenue from contracts with customers	42,355.66	1,05,712.98	1,00,311.33	-
Revenue from Operations (Net)	-	-	-	90,121.73
Other Income	188.80	370.71	404.84	537.98
Total Income	42,544.46	1,06,083.69	1,00,716.17	90,659.71
Total Expenditure	37,625.55	88,922.48	89,884.53	81,652.01
Profit before depreciation, interest and tax	7,189.17	21,529.83	14,867.31	11,530.49
Depreciation and amortisation Expenses	588.82	976.80	747.57	326.04
Finance costs	1,681.44	3,391.82	3,288.10	2,196.74
Profit before Tax	4,918.91	17,161.21	10,831.64	9,007.71
Provision for Tax	1,444.89	5,800.40	3,690.03	3,121.88
Profit for the year	3,474.02	11,360.81	7,141.61	5,885.83
Other comprehensive income (net of tax)	-	9.90	(3.58)	-

Balance Sheet Statement

(All figures in INR lakhs)

Particulars	Unaudited for	Audited for the year ended 31 March-		
	Six months ended September 30, 2019 (IND-AS)	2019 (IND-AS)	2018 (IND-AS)	2017 (IGAAP)
Sources of funds				
Paid up equity share capital	3,006.66	3,006.66	3,006.66	2,998.94
Reserves and Surplus (excluding revaluation reserve)	-	-	-	15,877.86
Other equity	31,721.66	28,247.65	16,876.94	-
Net Worth	34,728.32	31,254.31	19,883.60	18,876.80
Non current borrowings	1,231.63	1,230.84	1,312.79	1,776.13
Lease Liabilities	48.23	-	-	-
Provisions	210.14	210.14	174.34	-
Deferred Tax liabilities/ (assets)	1,176.98	951.79	-1,435.10	252.42
Total	37,395.31	33,647.08	19,935.64	20,905.35
Uses of funds				
Property, plant and equipment (including capital work in progress)	19,861.02	16,996.27	11,759.33	-

Particulars	Unaudited for	Audited for the year ended 31 March-		
	Six months ended September 30, 2019 (IND-AS)	2019 (IND-AS)	2018 (IND-AS)	2017 (IGAAP)
Tangible assets	-	-	-	7,569.78
Investments	-	-	-	-
Net current assets	10,224.36	9,060.36	(4,212.30)	13,331.06
Right-of-use assets	84.05	-	-	-
Contract assets	5,772.77	6,302.97	11,087.17	-
Bank balance other than cash and cash equivalent	1,453.11	1,287.48	1,301.44	-
Total miscellaneous expenditure not written off	-	-	-	4.51
Total	37,395.31	33,647.08	19,935.64	20,905.35

Other Financial Data

Particulars	Unaudited for	Audited for the year ended 31 March-		
	Six months ended September 30, 2019 (IND-AS)	2019 (IND-AS)	2018 (IND-AS)	2017 (IGAAP)
Dividend (%)	-	-	-	-
Earnings per share (Basic & Diluted) (INR)	11.55	37.79	23.81	19.63
RoNW (%)	10.00%	36.38%	35.92%	31.18%
Book Value per share (INR)	115.50	103.95	66.13	62.95

Notes:

- Earnings per share has been calculated as profit after tax/No. of shares
- Return on Net worth has been calculated as Profit After Tax/ Net worth
- Book Value per share has been calculated as Net worth/ No. of shares

3.13 The details of contingent liabilities of the Acquirer as on March 31, 2019 and unaudited six months period ended September 30, 2019 are set out below are set out below:

Particulars	September 30, 2019 (INR in Lakhs)	March 31, 2019 (INR in Lakhs)
Bank Guarantees	47,228.82	47,742.75
Total	47,228.82	47,742.75

3.14 The Acquirer and any persons including the members of its board and the promoter(s) of the Acquirer are not categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India nor they are declared as a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

3.15 For the purpose of this Offer, there is no person acting in concert with the Acquirer within the meaning of Regulation 2(1)(q)(1) of SEBI SAST Regulations.

4. Background of the Target Company

4.1 The Target Company is a public limited company incorporated on January 16, 1992, under the Companies Act, 1956, in Tamil Nadu, India. The Corporate Identity Number (CIN) of the Target

Company is L29113TN1992PLC022011. There has been no change in the name of the Target Company since incorporation.

- 4.2 The registered office of the Target Company is situated at Survey No. 153-210, Illuppapattu Village, Near Rajakulam, Chennai - Bangalore Highway, Kancheepuram, Tamil Nadu, 631 561, India.
- 4.3 The Target Company is engaged in the business of manufacturing power and distribution transformers, various special application transformers, and skid mounted sub-stations. The Company has manufacturing plants located at Chennai and Kancheepuram in Tamil Nadu.
- 4.4 The Equity Shares of the Target Company are listed on BSE (Scrip ID: INDOTECH, Security Code: 532717) and NSE (Scrip ID: INDOTECH). The ISIN of the Target Company is INE332H01014.
- 4.5 As on the date of this Letter of Offer and based on the information available on the Stock Exchanges, the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 4.6 As on the date of this Letter of Offer, there are no partly paid-up Equity Shares of the Target Company, outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company.
- 4.7 The Board of the Target Company, as of the date of this Letter of Offer, is given under:

Name of Director	Designation	DIN	Date of Appointment
Mr. Ricardo Suarez Garza	Chairman	07194157	May 27, 2015
Mr. Shridhar Gokhale	Whole-time Director	08349732	February 07, 2019
Mr. Gunjan Bhartia	Non-Executive Director	03366633	September 24, 2018
Mr. M S Srinivasan	Independent Director	00261201	August 01, 2009
Mr. P V Krishna	Independent Director	02459872	May 27, 2015
Ms. Tabassum M Wajid	Independent Director	06904452	March 25, 2015

- 4.8 As on the date of this Letter of Offer, there are no director representing the Acquirer on the Board.
- 4.9 There has been no instance of any merger/ de-merger, spin off during the last 3 (three) years involving the Target Company.
- 4.10 (a) The trading of the Equity Shares of the Target Company is currently not suspended on the Stock Exchanges; and (b) the Equity Shares of the Target Company have not been delisted from any stock exchange in India.
- 4.11 The share capital structure of the Target Company is as under:

Paid-up equity shares of Target Company	No. of shares/ voting rights	% of shares/ voting rights
Fully paid-up equity shares	1,06,20,000	100.00
Partly paid-up equity shares	-	-
Total paid-up equity shares	1,06,20,000	100.00
Total voting rights in Target Company	1,06,20,000	100.00

- 4.12 The key audited financial information of the Target Company as at and for the financial years ended March 31, 2019, March 31, 2018, and March 31, 2017 and the unaudited financial information for the six months period ended September 30, 2019, subjected to limited review, are as given below. In this regard, please note that the key financial information of the Target Company as at and for the financial years ended March 31, 2019 and March 31, 2018 have been extracted from the respective audited financial statements for the said financial years and as at and for the financial year ended March 31, 2017 has been extracted from the comparative financial information in the audited financial statements as at and for the financial year ended March 31, 2018. The financial information for the six months period ended September 30, 2019, of the Target Company, has been extracted from the unaudited limited reviewed financial information for such period:

Profit & Loss Account

(All figures in INR lakhs)

Particulars	Unaudited Limited Review for	Audited for the year ended		
	Six months ended September 30, 2019	FY 2018-19	FY 2017-18	FY 2016-17
Revenue from operations	10,133.45	21,338.90	22,561.21	16,412.06
Other Income	205.11	124.43	455.08	178.50
Total Income	10,338.56	21,463.33	23,016.29	16,590.56
Total Expenses	10,328.53	22,302.23	23,385.71	17,497.27
Profit/(loss) before Depreciation, Interest and Current Tax	255.01	(267.65)	151.25	(307.92)
Depreciation	238.76	518.90	473.95	481.64
Interest	6.22	52.35	46.72	117.15
Profit/ (Loss) before Current Tax	10.03	(838.90)	(369.42)	(906.71)
Provision for Current Tax	(182.33)	-	-	220.65
Profit/ (Loss) for the year	192.36	(838.90)	(369.42)	(1,127.36)

Balance Sheet

(All figures in INR lakhs)

Particulars	Unaudited Limited Review for	Audited for the year ended		
	Six months ended September 30, 2019	FY 2019	FY 2018	FY 2017
Sources of funds				
Equity share capital	1,062.00	1,062.00	1,062.00	1,062.00
Other equity	11,598.93	11,454.77	12,348.08	12,756.82
Total	12,660.93	12,516.77	13,410.08	13,818.82
Uses of funds				
Fixed Assets (Net) ¹	5,015.20	5,165.32	5,063.76	5,467.35
Other Non-current assets (Net) ²	628.34	533.52	516.45	668.24
Current assets (Net) ³	7,017.39	6,817.93	7,290.58	7,180.36
Assets held for sale	-	-	539.29	502.87
Total	12,660.93	12,516.77	13,410.08	13,818.82

Notes:

1) Fixed Assets (net) include Property, plant and equipment, Capital work in progress and intangible assets.

2) Other Non current assets (net) include Financial assets, Deferred tax assets, other tax assets and other non current assets less long term provisions

3) Current Assets (net) include Inventories, Financial assets and other current assets net of Financial liabilities, other current liabilities and short term provisions

Other Financial Data

Particulars	Unaudited Limited Review for	Audited for the year ended		
	Six months ended September 30, 2019	FY 2019	FY 2018	FY 2017
Dividend declared (%)	NA	NA	NA	NA
Earnings per share from continuing operations (Basic & Diluted) (INR)	1.81	(7.90)	(3.48)	(10.62)

Particulars	Unaudited Limited Review for	Audited for the year ended		
	Six months ended September 30, 2019	FY 2019	FY 2018	FY 2017
Return on Net worth (%)	1.52	(6.7)	(2.8)	(8.2)
Book value per share (INR)	119.22	117.86	126.27	130.12

4.13 Pre-Offer and post-Offer shareholding pattern of the Target Company (based on the shareholding pattern as of December 31, 2019 disclosed by the Target Company to the Stock Exchanges), is set out below:

Sl. No.	Names of the Shareholders	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shares /voting rights agreed to be acquired which triggered open offer under the SEBI SAST Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances from Public Shareholders)		Shareholding / voting rights after the acquisition and Offer	
		(A)		(B)		(C)		(D)=(A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1	Promoters								
	a. Parties to SPA, if any								
	Prolec GE Internacional, S.De R.L. De C.V	78,95,625	74.35	(73,66,032)	(69.36)	-	-	5,29,593	4.99
	b. Promoters other than (a) above	-	-	-	-	-	-	-	-
	Total (1) (a+b)	78,95,625	74.35	(73,66,032)	(69.36)	-	-	5,29,593	4.99
2	Acquirer	-	-	73,66,032	69.36	27,24,375	25.65	1,00,90,407	95.01
	Total	-	-	73,66,032	69.36	27,24,375	25.65	1,00,90,407	95.01
3	Public Shareholders (other than parties to the agreement)	27,24,375	25.65	-	-	(27,24,375)	(25.65)	-	-
	Grand Total	1,06,20,000	100.00					1,06,20,000	100.00

5. Offer Price and Financial Arrangements

5.1 Justification of Offer Price

5.1.1 The Equity Shares of the Target Company are currently listed on the Stock Exchanges.

5.1.2 The annualized trading turnover in the Equity Shares, based on the trading volumes in the Equity Shares of the Target Company on the BSE and NSE during the period from December 1, 2018 to November 30, 2019 (i.e. 12 (twelve) calendar months preceding the month in which the Public Announcement was issued) (“**Twelve Months Period**”), are set out below:

Stock Exchanges	Traded turnover during the Twelve Months Period (“A”)	Weighted average number of equity shares during the Twelve Months Period (“B”)	Traded turnover % (A/B)
BSE	4,43,968	1,06,20,000	4.18%
NSE	28,70,432	1,06,20,000	27.03%

Source: BSE (www.bseindia.com) and NSE (www.nseindia.com)

- 5.1.3 Based on the above, the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI SAST Regulations, with NSE being the stock exchange where the maximum volume of trading in the Equity Shares of the Target Company.
- 5.1.4 The Offer Price of INR 115.60 (Indian Rupees One Hundred and Fifteen and Sixty Paise only) per Offer Share is justified in terms of Regulation 8(2) of the SEBI SAST Regulations, being the highest of the following:

Sl. No.	Details	Price per Equity Share in INR
A.	The highest negotiated price per Equity Share of the Target Company for any acquisition under an agreement attracting the obligation to make a public announcement of an open offer i.e. the price per share under the SPA	94.51
B.	The volume-weighted average price paid or payable for acquisitions, whether by the Acquirer, during the fifty-two weeks immediately preceding the date of the PA	Not Applicable ¹
C.	The highest price per Equity Share paid or payable for any acquisition by the Acquirer during the twenty-six weeks immediately preceding the date of the PA	Not Applicable ¹
D.	The volume-weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the Public Announcement as traded on the NSE during such period and such shares being frequently traded	115.60
E.	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to Offer, taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies; and	Not Applicable
F.	The per equity share value computed under Regulation 8(5), if applicable	Not Applicable ²

Notes:

- The Acquirer has not acquired any Equity Shares in the Target Company.*
 - The acquisition is not an indirect acquisition under Regulation 5(1) of SEBI SAST Regulations.*
- 5.1.5 The Offer Price of INR 115.60 (Indian Rupees One Hundred and Fifteen and Sixty Paise only) per Offer Share represents the highest of the above parameters mentioned in the SEBI SAST Regulations.
- 5.1.6 From the date of the Public Announcement until the date of this Letter of Offer, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI SAST Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split, etc. where the record date for effecting such corporate actions falls within 3 (three) Working Days prior to the commencement of Tendering Period of the Offer.
- 5.1.7 As on date of this Letter of Offer, there is no revision in Offer Price. The Offer Price may be subject to upward revision, if any, pursuant to the SEBI SAST Regulations or at the discretion of the Acquirer at any time prior to last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI SAST Regulations. In the event of such revision, the Acquirer shall make corresponding increase to the escrow amounts in accordance with Regulation 18(5) of the SEBI SAST Regulations and the Acquirer shall (i) make further cash deposits into the Escrow Account; (ii) make public announcement in the same newspapers in which the Detailed Public Statement has been published and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office, of such revision.
- 5.1.8 In the event of an acquisition of the Equity Shares of the Target Company by the Acquirer during the Offer Period, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8)

of the SEBI SAST Regulations. However, the Acquirer shall not acquire any Equity Shares of the Target Company after the 3rd (third) Working Day prior to the commencement of the Tendering Period of this Offer and until the expiry of the Tendering Period of this Offer. An upward revision to the Offer Price, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of last 1 (one) Working Day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the SEBI SAST Regulations. Such revision would be done in compliance with other formalities prescribed under the SEBI SAST Regulations. In the event of such revision, the Acquirer shall:

- (i) make corresponding increase to the escrow amount;
- (ii) make a public announcement in the same newspapers in which the Detailed Public Statement is published; and
- (iii) simultaneously with the issue of such announcement, inform BSE, NSE, SEBI and the Target Company at its registered office, of such revision, in accordance with the SEBI SAST Regulations.

5.1.9 If the Acquirer 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 the Public Shareholders whose 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, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

5.1.10 If the Acquirer's shareholding exceeds the maximum permissible non-public shareholding pursuant to this Open Offer, the Acquirer shall not be eligible to make a voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, in accordance with Regulation 7(5) of the SEBI SAST Regulations, unless a period of twelve months has elapsed from the date of the completion of the Offer Period.

5.1.11 The Acquirer shall disclose details of every acquisition made by the Acquirer for any Equity Shares of the Target Company to the Stock Exchanges and to the Target Company at its registered office within 24 (twenty-four) hours of such acquisition, however, the Acquirer shall not purchase or sell any Equity Shares of the Target Company during the period between 3 (three) Working Days prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

5.2 Financial Arrangements

5.2.1 The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 27,24,375 (Twenty Seven Lakh Twenty Four Thousand Three Hundred and Seventy Five) Equity Shares, at the Offer Price of INR 115.60 (Indian Rupees One Hundred and Fifteen and Sixty Paise only) per Offer Share is INR 31,49,37,750 (Indian Rupees Thirty One Crore Forty Nine Lakh Thirty Seven Thousand Seven Hundred and Fifty only).

5.2.2 The Acquirer has confirmed that it has made firm financial arrangements for fulfilling the payment obligations under this Offer in terms of Regulation 25(1) of the SAST Regulations and the Acquirer is able to implement this Offer. The source of funds for the Acquirer is internal accruals.

5.2.3 The Acquirer has adequate resources to meet the financial requirements of this Open Offer and by way of cash for performance of its obligations under the SEBI SAST Regulations, the Acquirer has created the Escrow Account (named 'Shirdi Sai Open Offer Escrow Account') with Citi Bank, N.A., Mumbai (having its branch at 4th Floor, Fort House, Dr. D.N. Road, Fort, Mumbai - 400001 and acting through its office at Citibank N.A. 11th Floor, First International Financial Center, C-54 & 55, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 098 and has deposited a sum of INR 7,90,00,000 (Indian Rupees Seven Crore and Ninety Lakh only) on December 26, 2019 in the said Escrow Account aggregating to more than 25% (twenty five percent) of Maximum Open Offer Consideration, as required under Regulations 17(1) of the SEBI SAST Regulations. The Manager to the Offer has been duly authorized to realize the monies lying to the

credit of the Escrow Account in terms of the SEBI SAST Regulations. The cash deposit has been confirmed by the Escrow Agent vide letter dated December 26, 2019.

- 5.2.4 Reddy & Kumar, Chartered Accountants, firm registration number: 003239S, located at B-27, View Towers, Lakdi-ka-pul, Hyderabad 500 004, Telengana having, (Telephone number +91 40 6666 6655, Email: cajvreddy@gmail.com), has *vide* its letter dated December 20, 2019, certified that the Acquirer has adequate resources and capability to meet the financial obligations under the open offer. The Manager to the Offer has entered into an agreement dated December 19, 2019 with the Acquirer and the Escrow Agent pursuant to which the Acquirer has solely authorized the Manager to the Open Offer to realize the value of the Escrow Account, to operate the special escrow account opened as per the provisions of the SEBI SAST Regulations.
- 5.2.5 Based on above, the Manager to the Open Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill its obligations in relation to this Open Offer through verifiable means in accordance with the SEBI SAST Regulations.
- 5.2.6 In case of any upward revision in the Offer Price, the cash in the Escrow Account shall be increased by the Acquirer in terms of Regulation 17(2) of the SEBI SAST Regulations, prior to effecting such revision. In terms of Regulation 17(8) of the SEBI SAST Regulations, Manager to the Open Offer shall not release the escrow account until the expiry of 30 (thirty) days from the completion of payment of consideration to shareholders save and except for transfer of funds to the special escrow account.

6. Terms and Conditions of the Offer

6.1 Operational Terms and Conditions

- 6.1.1 This Offer is being made by the Acquirer to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; and (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date.
- 6.1.2 In terms of the schedule of activities, the Tendering Period for the Offer shall commence on February 14, 2020 and close on March 2, 2020 (both days inclusive).
- 6.1.3 The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholders shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis. The Acquirer shall acquire the Equity Shares from the Public Shareholders who have validly tendered their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- 6.1.4 This is not a conditional offer in terms of Regulation 20 of the SEBI SAST Regulations and there is no stipulation on any minimum level of acceptance in terms of Regulation 19(1) of the SEBI SAST Regulations.
- 6.1.5 The Identified Date for this Offer as per the schedule of activities is January 31, 2020.
- 6.1.6 The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one).
- 6.1.7 The share certificates or other documents should not be sent to the Acquirer or the Target Company.
- 6.1.8 In terms of Regulation 18(9) of the SEBI SAST Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 6.1.9 Accidental omission to dispatch the Letter of Offer to any Public Shareholders to whom this

Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholders shall not invalidate this Offer in any way.

- 6.1.10 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms and conditions of this Offer. The Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the date of closing of Tendering Period. Alternatively, the Letter of Offer along with the Form of Acceptance cum Acknowledgement is also expected to be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.
- 6.1.11 The 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.

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.

6.2 Eligibility for accepting the Offer

- 6.2.1 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.
- 6.2.2 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.
- 6.2.3 All Public Shareholders, registered or unregistered, 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 (subject to paragraph 6.3 of this Letter of Offer) to participate in this Offer.
- 6.2.4 The Public Announcement, the Detailed Public Statement, the Draft Letter of Offer, the Letter of Offer and the Form of Acceptance-cum-Acknowledgment are also/ will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, the Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgment from SEBI's website.
- 6.2.5 The acceptance of this Offer by Public Shareholders must be absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 6.2.6 The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company. The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- 6.2.7 By accepting this offer, the Public Shareholder(s) confirm that they are not persons acting in

concerts with the Acquirer for the purpose of this Offer.

- 6.2.8 None of the Acquirer, the Manager to the Offer or the Registrar to the Offer accept any responsibility for any loss of equity share certificates, Form of Acceptance-cum-Acknowledgment, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 6.2.9 The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 6.2.10 The Acquirer reserves the right to revise the Offer Price upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI SAST Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding further deposits into the Escrow Account; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement is published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of this Letter of Offer.
- 6.2.11 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute part of the terms of the Offer.
- 6.2.12 **Locked-in Equity Shares:** To the best of the knowledge of the Acquirer, there are no lock-in restrictions on the Equity Shares of the Target Company on the date of this Letter of Offer.
- 6.2.13 **Physical Form:** As per the press release dated December 3, 2018 and March 27, 2019 issued by SEBI, any investor who is desirous of transferring shares which are held in physical form after April 01, 2019 can do so only after the shares are in dematerialized form with a Depository. In view of the same, the Acquirer shall only acquire shares that are not in Physical Form. The Public Shareholders holding shares in Physical Form should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

6.3 Statutory and other approvals

- 6.3.1 To the best of knowledge of the Acquirer, other than the SPA Conditions, there are no statutory or other approvals required to complete the acquisition of the Offer Shares as on the date of this Letter of Offer. If, however, any statutory or other approval becomes applicable prior to completion of such acquisitions, the Open Offer would also be subject to such other statutory or other approval(s) being obtained.
- 6.3.2 In terms of Regulation 23 of the SEBI SAST Regulations, the approvals (in relation to the acquisition of the Offer Shares) as set out in this section 6 (Statutory and Other Approvals) or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirer, then the Acquirer shall have the right to withdraw the Open Offer. In the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager to the Offer) shall, within 2 (Two) working days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations. In such an event, the Acquirer shall not acquire the Equity Shares pursuant to SPA also.
- 6.3.3 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and registered FPIs), require any approvals (including from 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 Equity Shares held by them in this Open Offer, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer the right to reject such Equity Shares tendered in this Open Offer.

- 6.3.4 Subject to the receipt of the statutory and other approvals, if any, the Acquirer shall complete payment of consideration within 10 (Ten) working days from the closure of the Tendering Period to those Public Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirer.
- 6.3.5 Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- 6.3.6 In case of delay/non-receipt of any statutory and other approval that may be required by the Acquirer at a later date, SEBI may, if satisfied, that non-receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirer to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulation 18(11) of the SEBI SAST Regulations.
- 6.3.7 For the Transaction, the Acquirer is required to procure a no-objection certificate from its lender, in terms of its lending documents. Accordingly, the Acquirer has already made an application for procuring the same. The Acquirer intends to complete the Open Offer even if the no-objection certificates are not received by the completion of the Open Offer.

7. Procedure for Acceptance and Settlement of this Offer

- 7.1 The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window as provided under the SEBI SAST Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated 02 February 2017 (“**Acquisition Window**”).
- 7.2 BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Open Offer.
- 7.3 The facility for acquisition of shares by placing sell orders through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchange in the form of a separate window.
- 7.4 The Acquirer has appointed Prabhudas Lilladher Private Limited (“**Buying Broker**”) for the Offer through whom the purchases and settlement of the Offer shall be made during the tendering period. The Contact details of the Buying Broker are as mentioned below:
- Name:** Prabhudas Lilladher Private Limited
Address: 3rd Floor, Sadhana House, 570 P.B. Marg, Behind Mahindra Tower, Worli Mumbai - 400 018
Contact Person: Mr. Vijay Shah
Telephone: +91 22 6632 2222;
Email ID: vijayshah@plindia.com;
SEBI Registration No: NSE: INB230597738/ BSE: INB010502855
- 7.5 All Public Shareholders who desire to tender their 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.
- 7.6 The Seller Brokers can enter orders for dematerialised Equity Shares only. The cumulative quantity tendered shall be displayed on the Stock Exchanges’ website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
- 7.7 Modification/cancellation of orders will not be allowed during the Tendering Period.
- 7.8 Public Shareholders can tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC Compliant).

- 7.9 In the event the broker of a Public Shareholder is not registered with BSE or if the Public Shareholders does not have any stock broker then that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case a Public Shareholders is not able to bid using quick UCC facility through any other BSE registered stock broker, then the Shareholder may approach Acquirer’s Broker viz. Prabhudas Lilladher Private Limited, to bid by using quick UCC facility. The Public Shareholders approaching BSE or NSE registered stock broker (with whom he does not have an account) may have to submit following details:

7.9.1 In case of Public Shareholder being an individual

- (a) If Shareholder is registered with KYC Registration Agency (“KRA”): Forms required:
- Central Know Your Client (CKYC) form including FATCA, IPV, OSV if applicable
 - Know Your Client (KYC) form Documents required (all documents self-attested): Bank details (cancelled cheque)
 - Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- (b) If Shareholder is not registered with KRA: Forms required:
- CKYC form including FATCA, IPV, OSV if applicable
 - KRA form
 - KYC form Documents required (all documents self-attested): PAN card copy, Address proof & Bank details (cancelled cheque)
 - 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.

7.9.2 In case of Shareholder being a HUF

- (a) If Shareholder is registered with KRA: Forms required:
- Central Know Your Client (CKYC) form of KARTA including FATCA, IPV, OSV if applicable
 - Know Your Client (KYC) form Documents required (all documents self-attested): Bank details (cancelled cheque)
 - Demat details (Demat Master /Latest Demat statement)
- (b) If Shareholder is not registered with KRA: Forms required:
- CKYC form of KARTA including FATCA, IPV, OSV if applicable
 - KRA form
 - Know Your Client (KYC) form Documents required (all documents self-attested): PAN card copy of HUF & KARTA, Address proof of HUF & KARTA, HUF declaration, Bank details (cancelled cheque)
 - 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.

7.9.3 In case of Public Shareholder being other than Individual and HUF:

- (a) If Shareholder is KRA registered: Form required
- Know Your Client (KYC) form Documents required (all documents certified true copy): Bank details (cancelled cheque)
 - Demat details (Demat master /Latest Demat statement)

- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

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

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

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.

7.10 Procedure for tendering Equity Shares held in Dematerialised Form

- 7.10.1 Public Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Offer.
- 7.10.2 The Selling Broker 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 BSE. 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 BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- 7.10.3 Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 7.10.4 Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 7.10.5 For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than time provided by the Stock Exchange on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 7.10.6 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.
- 7.10.7 The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Offer.

7.10.8 The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

7.10.9 The Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance unless required by their respective selling broker.

7.11 Procedure for tendering the Equity Shares held in physical form:

7.11.1 As per the press release dated December 3, 2018 and March 27, 2019 issued by SEBI, any investor who is desirous of transferring shares which are held in physical form after April 01, 2019 can do so only after the shares are in dematerialized form with a Depository. In view of the same, the Acquirer shall only acquire shares that are not in Physical Form. The Public Shareholders holding shares in Physical Form should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

7.12 Acceptance of Shares

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

7.12.2 In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, 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 non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

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

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

7.13.2 A Public Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgement.

7.13.3 The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be emailed/ dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

7.13.4 The Letter of Offer along with the Form of Acceptance-cum-Acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.

7.13.5 Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents as mentioned in paragraphs 7.10 and 7.11. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

7.14 Settlement Process

- 7.14.1 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 shall be provided to the Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- 7.14.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of Clearing Corporation.
- 7.14.3 For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 7.14.4 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. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 7.14.5 The Public Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer.
- 7.14.6 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.
- 7.14.7 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 Equity Shareholder.
- 7.14.8 The direct credit of Equity Shares will be given to the demat account of Acquirer as indicated by the Buying Broker.
- 7.14.9 In case of partial or non-acceptance of orders, the balance demat Equity Shares will be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares will be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
- 7.14.10 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the 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.
- 7.14.11 Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.

- 7.14.12 Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirer.

7.15 Settlement of Funds / Payment Consideration

- 7.15.1 The settlements of fund obligation for accepted shares shall be effected through existing settlement accounts of Seller Broker(s).
- 7.15.2 The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Offer, Clearing Corporation will make direct funds payout to respective Public Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 7.15.3 The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Offer, the Equity Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.
- 7.15.4 The funds received from the Buying Broker by the Clearing Corporation will be released to the Equity Shareholder / Selling Broker (s) as per secondary market pay out mechanism.
- 7.15.5 Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 7.15.6 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the 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.

7.17 Note on Taxation

- 7.17.1 The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to pay income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 ("IT Act"). A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or is deemed to accrue or arise in India) and income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where the company is "incorporated".
- 7.17.2 Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.
- 7.17.3 Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement ("DTAA"), between India and the respective country of which the said shareholder is a tax resident subject to satisfying relevant conditions including: (i) those set out in limitation of benefits provisions present in the said DTAA (if any), (ii) the non-applicability of General

Anti-Avoidance Rules (“GAAR”), and (iii) providing and maintaining necessary information and documents as prescribed under the IT Act.

7.17.4 IT Act also provides for different income-tax regimes / rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. The summary of income-tax implications on tendering of listed equity shares on the recognized stock exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

7.17.5 **Classification of shareholders:** Public Shareholders can be classified under the following categories:

a. Resident shareholders being:

- i. Individuals, HUF, Association of Persons (“AOP”) and Body of Individuals (“BOI”)
- ii. Others

b. Non-Resident shareholders being:

- i. NRIs
- ii. FIIs / FPIs
- iii. Others:
 - A foreign company
 - Other than a foreign company

7.17.6 Classification of income from Equity Shares can be made under the following two categories:

- a. Shares held as investment (Income from transfer is taxable under the heading "Capital Gains"); and
- b. Shares held as stock-in-trade (Income from transfer is taxable under the heading "Profits and Gains of Business or Profession")

7.17.7 As per the current provisions of the IT Act, unless specifically exempted, income arising from the sale of equity shares in an Indian company are generally taxable in India either as “capital gains” under Section 45 of the Income Tax Act or as “business profits/income”, depending on the facts and circumstances of the case. Further, please note that Section 2(14) of the IT Act provides for deemed characterisation of securities held by FPIs/FIIs as capital asset and therefore, the gains arising in hands of FPIs will be taxable in India as capital gains.

7.17.8 Shares held as investment:

- a. As per the provisions of the IT Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains in the hands of shareholders would be computed as per provisions of Section 48 of the IT Act and the rate of income tax would depend on the period of holding.
- b. Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short term capital gain” or “long-term capital gain”. In respect of equity shares held for a period less than or equal to 12 (Twelve) months prior to the date of transfer, the same will be treated as a “short-term capital asset”, and accordingly, the gains arising therefrom will be taxable as short-term capital gains (“STCG”). Similarly, where equity shares are held for a period more than 12 (Twelve) months prior to the date of transfer, the same should be treated as a "long-term capital asset", and accordingly, the gains arising therefrom should be taxable as long-term capital gains (“LTCG”).
- c. Where a transaction for transfer of such equity shares (i.e. acceptance under the Open Offer) is transacted through a recognized stock exchange and is chargeable to Securities Transaction Tax (“STT”), then as per the provisions of Section 112A of the IT Act, income tax @10% will be levied on LTCG on the sale or transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 12 (Twelve) months and have been subject to STT, upon acquisition and sale. If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by the Central Government under Section 112A of the IT Act in order to get benefit of taxation

at 10% under Section 112A of the IT Act. This tax of 10% (ten per cent) (exclusive of any surcharge and cess that would be applied) would be payable only if the LTCG exceeds INR100,000/- in the financial year. In case of a resident individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such LTCG. Further, LTCG that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018. For computing capital gains under the grandfathering regime, the cost of acquisition of the asset will be the higher of: (i) actual purchase price, or (ii) lower of (A) fair market value as on January 31, 2018, and (B) sale consideration for the shares.

- d. Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the equity shares).
- e. LTCG will be chargeable to tax at rate of up to 20% (plus applicable surcharge and cess) in the case of a non-resident shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the Income Tax Act) under section 112 of the IT Act.
- f. In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and cess) under section 115AD of the IT Act.
- g. For an NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and cess) under Section 115E of the IT Act.
- h. For a resident shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and cess) without indexation under Section 112 of the IT Act. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such LTCG under section 112 of the IT Act.
- i. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less (ie STCG) and which is subject to STT, shall be subject to short term capital gains tax at 15% (plus applicable surcharge and cess) under Section 111A of the IT Act. Further, in case of a resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG under Section 111A of the IT Act.
- j. Taxability of capital gain arising to a non-resident in India from the sale of equity shares shall be determined basis the provisions of the IT Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to satisfaction of certain prescribed conditions.

7.17.9 Shares held as stock-in trade:

- a. If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the heading "Profits and Gains of Business or Profession".
- b. Rates of tax: Where the gains realised from the sale of equity shares are taxable as business profits, the same will be taxable at applicable rates to such equity shareholders.
- c. Rate of Surcharge and Cess: As per the current provisions of the Income Tax Act, in addition to the basic tax rate, surcharge (as applicable) and a health and education cess at the rate of 4% are leviable.

7.17.10 Tax Deduction at Source:

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

b. Non-Resident Shareholders:

- a. In case of FIIs/ FPIs: Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs/ FPIs. Thus, no withholding of tax is required in case of consideration payable to FIIs/ FPIs.
- b. In case of non-resident Public Shareholders (other than FIIs/ FPIs) holding Equity Shares of the Target Company: Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the Income Tax Act. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident Public Shareholders provide a specific mandate in this regard.
- c. Under Section 195 of the Income Tax Act, tax is required to be deducted on payments made to non-residents, at the rates prescribed in Part-II of the First Schedule to the Finance Act, 2018. However, since the tendering of shares under the Open Offer is through the BSE, a recognised stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate

7.17.11 Others

- a. The tax implications are based on provisions of the IT Act as applicable as on date of this Offer letter. In case of any amendment made effective prior to the date of closure of this Offer, then the provisions of the IT Act as amended would apply.
- b. Notwithstanding the details given above, all payments will be made to equity shareholders subject to compliance with prevailing tax laws.
- c. Even if tax is deducted by the Acquirer while making payment to a Public Shareholder, it may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income tax authorities.
- d. If the Acquirer does deduct tax, it shall be as per the information provided and representation made by the Public Shareholders. In an event of any income-tax demand (including interest, penalty etc.) arising from any misrepresentation, inaccuracy or omission of information provided/ to be provided by the Public Shareholders, such Public Shareholders will be responsible to pay such income-tax demand under the IT Act and provide the Acquirer with all information/ documents that may be necessary and co-operate in any proceedings before income tax/ appellate authority in India. Each Public Shareholder shall indemnify and hold the Acquirer harmless from and against any and all losses, damages, costs, expenses, liabilities, (whether accrued, actual, contingent), of whatever nature or kind including all legal and professional fees and costs that are actually incurred by the Acquirer arising out of, involving or relating to, or in connection with any taxes (including interest and penalties) payable by such Public Shareholder pursuant to the Offer and any obligation of the Acquirer to deduct taxes at source from any payments made pursuant to the Offer.
- e. Taxes once deducted will not be refunded by the Acquirer under any circumstances.

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

SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THE IMPLICATIONS ARE ALSO DEPENDENT ON THE PUBLIC SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS SUMMARY. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS SUMMARY OF INCOME-TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF EQUITY SHARES IN THE OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA AS SET OUT ABOVE SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

8. Documents for Inspection

Copies of the following documents will be available for inspection by the Public Shareholders at the office of the Manager to the Offer, Ernst & Young Merchant Banking Services LLP, The Ruby, 14th Floor, 29 Senapati Bapat Marg, Dadar West, Mumbai - 400028, India, between 10:30 a.m. and 3:00 p.m. on any Working Day (except Saturdays and Sundays) during the period from the date of commencement of the Tendering Period (February 14, 2020) until the date of closure of the Tendering Period (March 2, 2020):

- 8.1 Certified copies of the memorandum and articles of association and certificate of incorporation of Acquirer;
- 8.2 Certified copies of the memorandum and articles of association and certificate of incorporation of the Target Company;
- 8.3 Certificate dated December 20, 2019 from M/s. Reddy & Kumar, Chartered Accountants, certifying that the Acquirer has made firm financial arrangements to meet its financial obligations under the Offer.
- 8.4 Certified copies of the annual reports/financial statements of Acquirer for the 3 (three) financial years ended March 31, 2019, March 31, 2018 and March 31, 2017 and limited review report of M/s Reddy & Kumar, Chartered Accountants for the unaudited financial statements for the six months period ended September 30, 2019 of the Acquirer.
- 8.5 Certified copies of the annual reports and financial statements of the Target Company for the 3 (three) financial years ended March 31, 2019, March 31, 2018 and March 31, 2017 and limited review report of M/s B S R & Co. LLP, Chartered Accountants, for the unaudited financial statements for the six months period ended September 30, 2019 of the Target Company.
- 8.6 Letter dated December 26, 2019 from the Escrow Agent confirming the receipt of the cash deposit in the Open Offer Escrow Account;
- 8.7 Copy of the SPA (execution version) dated December 20, 2019;
- 8.8 Copy of the Public Announcement, the Detailed Public Statement and the Offer opening Public Announcement to be published by the Manager to the Offer on behalf of the Acquirer, along with corrigendum (if any);
- 8.9 Copy of the published recommendation made by the committee of the independent directors of the Target Company in relation to the Offer (as and when available);
- 8.10 SEBI observation letter no. SEBI/HO/CFD/DCR1/OW/P/2020/3815 dated January 29, 2020 on the Draft Letter of Offer;
- 8.11 The Escrow Agreement dated December 19, 2019, between the Acquirer, the Manager and the Escrow Agent.

9. Declarations by the Acquirer

- 9.1 The Acquirer and its directors accept full responsibility for the information contained in the Letter of Offer (other than such information as has been obtained from public sources).
- 9.2 The Acquirer also accepts full responsibility for its obligations under the Offer and shall be liable for ensuring compliance with the SEBI SAST Regulations.
- 9.3 The person(s) signing this Letter of Offer are duly and legally authorized by the Acquirer, as applicable, to sign the Letter of Offer.

On behalf of Shirdi Sai Electricals Limited

Sd/-

Authorized Signatory

Place: Hyderabad

Date: February 5, 2020

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

[Public Shareholders holding shares in demat mode are not required to fill the Form of Acceptance unless required by their respective selling broker.]

INDO TECH TRANSFORMERS LIMITED

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)

To,
Shirdi Sai Electricals Limited (the “Acquirer”)
C/o Link Intime India Private Limited
Unit: Indo Tech Transformers Limited – Open Offer
C-101, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai – 400 083
Tel: + 91-22-4918 6200
Email: indotechtransformers.offer@linkintime.co.in

TENDERING PERIOD FOR THIS OFFER	
OFFER OPENS ON	February 14, 2020
OFFER CLOSSES ON	March 2, 2020

Dear Sir,

Sub: OPEN OFFER FOR ACQUISITION OF 27,24,375 (TWENTY SEVEN LAKHS TWENTY FOUR THOUSAND THREE HUNDRED SEVENTY FIVE) EQUITY SHARES, REPRESENTING 25.65% OF THE TOTAL PAID-UP EQUITY CAPITAL VALUE INR 10/- EACH (“EQUITY SHARES”) OF INDO TECH TRANSFORMERS LIMITED (“TARGET COMPANY”) BY SHIRDI SAI ELECTRICALS LIMITED (“ACQUIRER”)

I / We refer to the Letter of Offer dated February 5, 2020 for acquiring the Equity Shares held by me / us in Indo Tech Transformers Limited

I / We, the undersigned, have read the Letter of Offer and understood its contents, including the terms and conditions mentioned therein and unconditionally agree to such terms and conditions.

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

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

I / We, the undersigned, have read the Public Announcement, the Detailed Public Statement and the Letter of Offer and understood its contents, terms and conditions, and unconditionally accept the same.

FOR ALL PUBLIC SHAREHOLDERS

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer are not locked-in and 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 offers, if any, declared hereafter.

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 in this Offer and that I/we am/are legally entitled to tender the Equity Shares in this 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 confirm that I / We are not persons acting in concert with the Acquirer.

I / We also note and understand that the obligation on the Acquirer to pay the purchase consideration (i.e. the Offer Price) arises only after verification of the certification, documents and signatures submitted along with this Form. I / We undertake to return to the Acquirer any purchase consideration wrongfully received by me / us.

I / We give my/our consent to the Acquirer to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. 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 effectuate this Offer in accordance with the SEBI SAST Regulations.

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

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 including but not limited to section 281 of the Income Tax Act, 1961.

I / We note and understand that the Equity Shares will be held by the Clearing Corporation in trust for me / us till the date the Acquirer make payment of consideration as mentioned in the Letter of Offer.

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 , or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Equity Shares, I / we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the Equity Shares would be kept in the pool account of my / our Selling Broker and the lien will be marked by Clearing Corporation until the settlement date whereby Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.

I / We authorise the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirer may decide to accept in consultation with the Managers to the Offer and the Registrar to the Offer and in terms of the Letter of Offer. I / we further authorize the Acquirer to return to me / us, Equity Shares in respect of which this Offer is not found valid / not accepted without specifying the reasons thereof.

FOR NRIs/ OCBs/ FPIs AND SUB-ACCOUNTS / OTHER NON-RESIDENT SHAREHOLDERS

I/We, confirm that my/ our residential status is (✓ whichever is applicable):

☐ Individual	☐ Foreign Company	☐ FII/FPI - Corporate	☐ FII/FPI - Others	☐ Indian Company
☐ Indian Trust	☐ FVCI	☐ Foreign Trust	☐ Private Equity Fund	☐ Pension/Provident Fund
☐ Sovereign Wealth Fund	☐ Partnership/ Proprietorship firm	☐ Financial Institution	☐ NRIs/PIOs - repatriable	☐ NRIs/PIOs - non-repatriable
☐ OCB	☐ QFI	Others – please specify:		

I/We confirm that my/our investment status is (and ✓ whichever is applicable):

- ☐ FDI Route
☐ PIS Route
☐ Any other – please specify _____

I/We confirm that the Equity Shares tendered by me/us are held on (☐ whichever is applicable):

- ☐ Repatriable basis
☐ Non-repatriable basis

I/We confirm that (☐ whichever is applicable):

- ☐ No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the RBI
☐ Copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith
☐ Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We confirm that (✓ whichever is applicable):

- ☐ No RBI or other regulatory approval is required by me for tendering the Equity Shares in this Offer
☐ Copies of all approvals required by me for tendering Equity Shares in this Offer are enclosed herewith

BANK DETAILS

Name of the Bank	
Branch	
Account Number	
IFSC code	
MICR code	
Savings/Current/(Others: please specify)	

Please note that for Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders' bank account linked to its demat account. If the Public Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective Public Shareholders. The Public Shareholders are therefore requested to ensure that their bank account details are validly linked in their demat accounts.

In case of interest payments, if any, by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act. For details please refer to instruction no. 13 & 14 given overleaf.

Yours faithfully,

Signed and Delivered:	Full Name	PAN	Signature
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary board resolutions should be attached.

Place: _____

Date: _____

-----Tear Here-----

Acknowledgement Receipt – Indo Tech Transformers Limited –Open Offer

Received from Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement for Indo Tech Transformers Limited Offer as per details below:

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

Date of Receipt:

Stamp of collection centre:

Signature of Official:

INSTRUCTIONS

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER, THE TARGET COMPANY OR THE MANAGERS TO THE OFFER

1. This Form should be filled in English.
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Open Offer would have to do so through their respective Selling Broker by indicating the details of Equity Shares they intend to tender under the Open Offer.
4. All documents/remittances sent by or to the Shareholders will be at their own risk. Shareholders are advised to adequately safeguard their interests in this regard.
5. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.
6. Procedure for tendering the Equity Shares in case of non-receipt of the Letter of Offer: Shareholders may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, the Detailed Public Statement and the Letter of Offer. They can participate by submitting an application on plain paper giving details regarding their shareholding and relevant documents mentioned in paragraph 7.13 of the Letter of Offer.
7. Alternatively, such holders of Equity Shares may also apply on the Form of Acceptance in relation to this Offer, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.
8. The Acceptance of Shares, Settlement Process, Settlement of Funds / Payment Consideration and the Note on Taxation have been mentioned in the Letter of Offer at paragraph 7.
9. The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website. The Letter of Offer along with Form of Acceptance will be dispatched/ sent through electronic mail to all the Shareholders as on the Identified Date. In case of non-receipt of the Letter of Offer, such shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
10. The Form of Acceptance or TRS is not required to be submitted to the Target Company, Manager to the Offer or the Registrar to the Offer or Registrar to the Company. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Offer shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.
11. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act.
12. If the resident and non-resident Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.

For resident Shareholders:

- ☐ Self-attested copy of PAN card
- ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
- ☐ Self-declaration in Form 15G / Form 15H (in duplicate), if applicable
- ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For non-resident Shareholders:

- ☐ Self-attested copy of PAN card
- ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest)
- ☐ Tax Residency Certificate and a no 'permanent establishment' / business connection declaration

In an event of non-submission of certificate for deduction of tax at nil / lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Shareholder belongs, by the Acquirer.

FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OFFER, PLEASE REFER TO THE LETTER OF OFFER

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



LINK INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

Tel: +91 22 4918 6200 Fax: +91 22 4918 6195

Email: indotechtransformers.offer@linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI Registration No.: INR000004058