

DRAFT LETTER OF OFFER

“This Document is important and requires your immediate attention”

This Draft Letter of Offer is sent to you as a shareholder(s) / beneficial owner of Reliance Jute Mills (International) Limited. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY				
Name	Acquirer	Address	Contact Details	Email Address
Mr. Surendra Agarwal	Acquirer 1	FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal- 700106	9830663103	mayank@sdfp.in
Mr. Sunil Jain	Acquirer 2	House No.51, Near Metro Pillar No. 380, Raja Garden, Ramesh Nagar, West Delhi-110015	9810364833	mayank@sdfp.in
Mrs. Anita Jain	Acquirer 3	House No.51, Near Metro Pillar No. 380, Raja Garden, Ramesh Nagar, West Delhi-110015	9830211316	mayank@sdfp.in
Mr. Akhil Jain	Acquirer 4	51, Raja Garden, Near Handa Nursing Home Ramesh Nagar, Ramesh Nagar, West Delhi, Delhi - 110015	9810364833	mayank@sdfp.in
Mrs Shilpa Jain	Acquirer 5	51, Raja Garden, Handa Nursing Home Zakhira, West Delhi, Delhi -110015	9830211316	mayank@sdfp.in
Name	PAC	Address	Contact Details	Email Address
Mrs. Seema Agarwal	PAC 1	FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal- 700106	8013190000	mayank@sdfp.in
Mrs. Somya Goyal	PAC 2	FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal- 700106	9163308544	mayank@sdfp.in
Mr. Mayank Goyal	PAC 3	FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal- 700106	9830211316	mayank@sdfp.in

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

CORPORATE IDENTIFICATION NUMBER: L17125WB1996PLC081382

Registered Office: Ideal Plaza, South Block 4th Floor, 11/1, Sarat Bose Road, Kolkata, West Bengal - 700020, India



Tel. No.: 91-33 2280 7017/18; Website: <http://www.reliancejute.com/>; Email Id: financeho@reliancejute.com

Open Offer for acquisition of up to 6,48,612 (Six lacs Forty Eight Thousand Six Hundred and Twelve) Equity Shares, representing 25.05% of the Voting Share Capital of Reliance Jute Mills (International) Limited (‘RJML’ or ‘Target Company’), at an offer price of ₹7.50/- (Rupees Seven and Fifty Paise only) (‘Offer Price’), payable in cash, by the Acquirers, in accordance with the provisions of Regulations 3 (1) and 4, and such other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations, 2011, and subsequent amendments thereto (‘SEBI (SAST) Regulations’) (‘Offer’).

Please Note:

1. This Offer is being made by the Acquirers pursuant to Regulations 3(1) and (4) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (‘SEBI (SAST) Regulations’) for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.
2. As on the date of this Draft Letter of Offer, to the best of knowledge of the Acquirers, there are no statutory approval(s) required to acquire Equity Shares that are tendered pursuant to this Offer. However, if any other statutory or governmental approval(s) are required or become applicable at a later date before closure of the Tendering Period, this Offer shall be subject to such statutory approvals and the Acquirers shall make the necessary applications for such statutory approvals and this Offer would also be subject to such other statutory or other governmental approval(s).
3. If there is any upward revision in the Offer Price/ Offer Size at any time up to One (1) working day prior to commencement of the tendering period viz. Monday, June 13, 2022 in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement dated Thursday, April 28, 2022 had appeared. If the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement had appeared.

4. This Offer is not subject to minimum level of acceptance by the public shareholders of the Target Company and is not a conditional offer under Regulation 19 of the SEBI (SAST) Regulations.
5. **This is not a competitive offer as per Regulation 20 of the SEBI (SAST) Regulations;**
6. **If there is a competitive bid, then the Offer under all subsisting bids shall open and close on the same date.**
7. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement / Draft Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period. (Defined below)
8. The procedure for acceptance is set out in Paragraph 9 under titled as '*Procedure for Acceptance and Settlement of the Offer*' at page 22 of this Draft Letter of Offer.
9. The Public Announcement, Detailed Public Statement and Letter of Offer (including Form of Acceptance cum Acknowledgement) would also be available at SEBI website (www.sebi.gov.in), Manager to the Offer's website accessible at www.gretexcorporare.com, and Registrar's website accessible at www.purvashareregistry.com.
For capitalized terms, refer to the Paragraph titled 'Definitions and Abbreviations' beginning on page 1 of this Draft Letter of Offer.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p>GRETEX CORPORATE SERVICES LIMITED Office No. 13, 1st Floor, New BansiLal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400 001, Maharashtra, India Tel No.: +91 – 22 – 4002 5273 / 98368 22199 / 98368 21999 Email: info@gretexgroup.com / mbk@gretexgroup.com Website: www.gretexcorporare.com Contact Person: Arvind Harlalka SEBI Registration No: INM000012177 CIN: U74999MH2008PLC288128</p>	 <p>PURVA SHAREGISTRY (INDIA) PVT. LTD. Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400011, Maharashtra, Tel. No.: +91-22-2301 6761/ 8261 Email Address: support@purvashare.com; Website: www.purvashare.com; Contact Person: Ms. Deepali Dhuri; SEBI Registration Number: INR000001112 CIN: U67120MH1993PTC074079</p>
OFFER OPENING DATE: WEDNESDAY, JUNE 15, 2022	OFFER CLOSING DATE: TUESDAY, JUNE 28, 2022

TENTATIVE SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:

Activities	Date	Day
Date of the PA	April 21, 2022	Thursday
Publication of Detailed Public Statement in newspapers	April 28, 2022	Thursday
Last date of filing the Draft Letter of Offer with SEBI	May 06, 2022	Friday
Last date of a Competing Offer#	May 23, 2022	Monday
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)	May 30, 2022	Monday
Identified Date*	June 01, 2022	Wednesday
Last date by which the Letter of Offer will be dispatched to the shareholders whose name appears on the register of members on the Identified Date	June 08, 2022	Wednesday
Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Equity Public Shareholders for this Offer	June 10, 2022	Friday
Last date for upward revision of the Offer Price and/or Offer Size	June 13, 2022	Monday
Date of publication of opening of Offer public announcement in the newspapers in which this Detailed Public Statement has been published	June 13, 2022	Monday
Date of commencement of tendering period (“Offer Opening Date”)	June 15, 2022	Wednesday
Date of closing of tendering period (“Offer Closing Date”)	June 28, 2022	Tuesday
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	July 12, 2022	Tuesday

Note:

The above timelines are indicative (prepared based on the timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of requisite approvals from various statutory/ regulatory authorities and may have to be revised accordingly. To clarify, the actions set out above may be completed prior to their corresponding dates subject to compliance with the SEBI (SAST) Regulations.

#There has been no competing offer as of the date of this Draft Letter of Offer.

**Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer and the parties to the Share Purchase Agreement) are eligible to participate in the Offer any time before the Closure of the Offer.*

RISK FACTORS RELATING TO THE TRANSACTION, THE PROPOSED OFFER AND PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRER: -

For capitalized terms used herein, please refer to the section on Definitions set out below

A. Relating to the Underlying Transaction:

1. The obligation of the Acquirers and the Sellers to complete the Underlying Transaction is conditional upon fulfilment of the conditions set out in the SPA (unless waived), as set out in paragraphs 3.1.9 of page 4 of this Draft Letter of Offer.
2. Receipt of all statutory approvals as set out in Paragraph 8.6 titled as ‘Statutory Approvals and conditions of the Offer’ at page 21 of this Draft Letter of Offer and those which become applicable prior to the completion of this Offer.
3. The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

B. Risks relating to this Offer:

1. The Offer is a mandatory offer to acquire 6,48,612 equity shares representing 25.05% of the Voting Share Capital of RJML from the Public Shareholders.
2. As on the date of this Draft Letter of Offer, to the best of knowledge and belief of the Acquirers, there are no statutory approvals required to acquire the Equity Shares that are validly tendered pursuant to this Offer or to complete this Offer, for further details kindly refer to Paragraph 8.6 titled as ‘Statutory Approvals and conditions of the Offer’ at page 21 of this Draft Letter of Offer. However, if any other statutory approvals are required prior to the completion of this Offer, then this Offer would be subject to the receipt of such other statutory approvals that may become applicable later.
3. In the event that either
 - a. regulatory approval is not received in a timely manner,
 - b. there is any litigation leading to stay on the Offer, or
 - c. SEBI instructs the Acquirer not to proceed with the Offer,

then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of RJML whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders for the delay, as may be specified by SEBI.

4. Shareholders should note that shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
5. The Offer is subject to the receipt of and regulatory approvals by the Acquirers under the Offer. The Acquirers may not be able to proceed with the Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.
6. Non-residents and Overseas Corporate Bodies (the “OCBs”) holding the Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them in this Offer. Further, if the Public Shareholders who are not person’s resident in India had required any approvals (including from Reserve Bank of India 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 pursuant to this Offer, along with the documents required to be

tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirers reserves its right to reject such Equity Shares tendered under this Offer. If the Equity Shares are held under general permission of the Reserve Bank of India, 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.

7. Public Shareholders are advised to consult their respective stockbroker, legal, financial, investment or other advisors and consultants of their choice, if any, for assessing further risks with respect to their participation in this Offer, and related transfer of Equity Shares to the Acquirers. Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.

C. Risks involved in associating with the Acquirers:

1. The Acquirers intends to acquire 6,48,612 (Six Lakh Forty-Eight Thousand Six Hundred and Twelve) fully paid-up Equity Shares of Rs.10/- each representing 25.05% of total paid up equity capital of the Target Company, at a price of Rs. 7.50 (Rupees Seven and Fifty Paise Only) per equity share, payable in cash under the SEBI (SAST) Regulations, 2011. The equity shares and documents tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities, and the shareholders will not be able to trade such equity shares. Post this Offer, the Acquirers will have significant equity ownership & effective management control over the Target Company pursuant to regulation 3 (1), and 4 of the SEBI (SAST) Regulations.
2. The Acquirers make no assurance with respect to the market price of the Equity Shares during the Offer Period and upon the completion of this Offer and disclaim any responsibilities with respect to any decision by the Public Shareholders on whether to participate in this Offer.
3. The Acquirers make no assurance with respect to the financial performance of the Target Company or the continuance of past trends in the financial performance of the Target Company nor do they make any assurance with respect to the market price of the Equity Shares before, during or after this Offer.
4. The Acquirers and the Manager, accept no responsibility for the statements made otherwise than in the Offer Documents or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager, and any person placing reliance on any other source of information would be doing so at its own risk.
5. In relation to this Offer, the Acquirers and the Manager accept responsibility only for the statements made by them in the Offer Documents issued by or at the instance of the Acquirers, or the Manager in relation to this Offer other than information pertaining to the:
 - a. Target Company which been obtained from publicly available sources or provided by the Target Company;
 - b. Promoters which has been obtained from the Promoters. Anyone placing reliance on any sources of information (other than as mentioned in this paragraph) would be doing so at his/her/its own risk.

CURRENCY OF PRESENTATION

- In this Draft Letter of Offer, all references to “₹/Rs./Rupees/Re/Rupee” are references to the official currency of India.
- In this Draft Letter of Offer any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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1. DEFINITIONS/ABBREVIATIONS

Acquirer 1	Mr. Surendra Agarwal
Acquirer 2	Mr. Sunil Jain
Acquirer 3	Mrs. Anita Jain
Acquirer 4	Mr. Akhil Jain
Acquirer 5	Mrs. Shilpa Jain
Acquirers	Acquirer 1, Acquirer 2, Acquirer 3, Acquirer 4, and Acquirer 5 collectively referred as Acquirers
Board	The Board of Directors of the Target Company
Book Value per Share	Net Worth/Number of shares
BSE	BSE Limited
CSE / Stock Exchange	The Calcutta Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Clearing Corporation	Indian Clearing Corporation Limited
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made thereunder
Depositories	CDSL and NSDL
Draft Letter of Offer /DLoF	Draft Letter of Offer dated May 06, 2022, submitted to SEBI for its observations
DIN	Director Identification Number
DPS	Detailed Public Statement dated April 28, 2022 in connection with this Offer, published on behalf of the Acquirers on April 28, 2022, in Financial Express (English Daily) (All India Edition), Jansatta (Hindi daily) (All India Edition), Ek Din (Bengali Daily) (Kolkata Edition)
ECS	Electronic Clearing Service
Escrow Agreement	Escrow Agreement, Friday, dated April 22, 2022, entered amongst and between the Acquirers, the Escrow Banker, and the Manager
Escrow Account	The escrow account with account number '000405134089' and in the name and style of ' Reliance Jute Mills International Limited Open Offer Escrow Account ' opened by the Acquirers with the Escrow Bank, in accordance with the SEBI (SAST) Regulations
Escrow Amount	The amount aggregating to ₹49,00,000/- (Rupees Forty-Nine Lakhs Only) maintained by the Acquirers with the Escrow Banker, in accordance with the Escrow Agreement
Escrow Banker	ICICI Bank Limited
Equity Shares	The fully paid-up equity shares of the Target Company of face value of ₹10.00/- (Rupees Ten Only) each
FOA or Form of Acceptance	Form of Acceptance – cum – Acknowledgment accompanying this Letter of Offer
Identified Date	The date falling on the 10th Working Day prior to the commencement of the Tendering Period i.e. Wednesday, June 01, 2022
IFSC	Indian Financial System Code
Letter of Offer	Letter of Offer long with along with Form of Acceptance-Cum-Acknowledgement (for holding Equity Shares in physical form), and Form SH-4 Securities Transfer Form
Manager to the Offer	Gretex Corporate Services Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	Period commencing from Thursday, April 21, 2022 (i.e. Date of Public Announcement) to Tuesday, July 12, 2022 (i.e. Date of Payment Consideration), both days inclusive
Offer Price	Rs.7.50 (Rupees Seven and Fifty Paise Only) per equity share payable in cash
Offer/Open Offer	Cash Offer being made by the Acquirer to acquire 6,48,612 equity shares of Rs. 10/- each, representing 25.05% of the total paid up Equity Capital at a price of Rs. 7.50 (Rupees Seven and Fifty Paise Only) per equity share

PA	Public Announcement dated April 21, 2022
PAC 1	Mrs. Seema Agarwal
PAC 2	Mrs. Somya Goyal
PAC 3	Mr. Mayank Goyal
Paid-up equity capital	Rs.2,58,94,900 comprising of 25,89,490 equity shares of Rs. 10/- each
PAT	Profit After Tax
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of RJML except the Acquirers and parties to the Share Purchase Agreement
Public Shareholders	all the equity shareholders of the Target Company other than (i) the Acquirers, (ii) the parties to the Share Purchase Agreement, and (iii) persons deemed to be acting in concert with parties at (i) and (ii) above, in compliance with the provisions of Regulation 7(6) of the SEBI (SAST) Regulations
RBI	Reserve Bank of India
Registrar to the Offer	Purva Sharegistry (India) Private Limited
Return on Net Worth	Profit After Tax/Net Worth
SEBI	Securities & Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI (SAST) Regulations/Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto;
Target Company /RJML	Reliance Jute Mills (International) Limited
Tendering Period	Period commencing from Wednesday, June 15, 2022 and closing on Tuesday, June 28, 2022, both days inclusive
Voting Capital	The fully diluted Equity Share Capital and voting share capital of the Target Company as of the 10th (Tenth) working day from the closure of the Tendering Period
Working Days	Working Days of SEBI

Note:

All terms beginning with a capital letter used in this Draft Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI (SAST) Regulations unless specified.

In this Draft Letter of Offer, any reference to the singular will include the plural and vice-versa.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (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 EQUITY SHAREHOLDERS OF RJML TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR THE TARGET COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER GRETEX CORPORATE SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 06, 2022 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A

STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.”

GENERAL DISCLAIMER

This Offer Documents in connection with the Offer, have been prepared for the purposes of compliance with the provisions of applicable laws and regulations in India, including the SEBI Act and the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The delivery of Offer Documents, does not under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirers since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirers are under any obligation to update the information contained herein at any time after this date.

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

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

3. DETAILS OF THE OFFER:

3.1. BACKGROUND OF THE OFFER:

- 3.1.1. This is a mandatory Offer, being made by the Acquirers, in pursuance of and in compliance with the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, to the Public Shareholders of the Target Company, triggered pursuant to the execution of the Share Purchase Agreement.
- 3.1.2. The prime object of this Open Offer is to acquire substantial acquisition of Equity Shares and Voting Share Capital accompanied with the change in control and management of the Target Company, and to be classified as the promoters of the Target Company in accordance with the provisions of the SEBI (LODR) Regulations following the consummation of the transaction of the Share Purchase Agreement.
- 3.1.3. There are Persons Acting in Concert with the Acquirers within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 3.1.4. The Acquirers are making this Offer to acquire up to 6,48,612 (Six Lakh Forty Eight Thousand Six Hundred and Twelve) Equity Shares, representing 25.05% of Equity Share Capital/Voting Share Capital of the Target Company, at an offer price of ₹7.50 (Rupees Seven and Fifty Paise Only) per Equity Share, aggregating to a total consideration of ₹48,64,590 (Rupees Forty-Eight Lakhs Sixty-Four Thousand Five Hundred Ninety Only), payable in cash, in accordance with the provisions of Regulation 9 (1) (a) of the SEBI (SAST) Regulations, subject to the terms and conditions set out in the Offer Documents.
- 3.1.5. The Acquirers have entered into a Share Purchase Agreement (“SPA”) on April 21, 2022 with the existing Promoters/Promoter Group (“Selling Shareholders”/” Sellers”) to acquire 13,20,640 Equity Shares aggregating 51.00% of the total paid-up equity capital of the Target Company at a price of Rs. 7.50 (Rupees Seven and Fifty Paise only) each aggregating to a sum of Rs. 99,04,800

(Rupees Ninety-Nine Lakhs Four Thousand Eight Hundred Only) payable in compliance with the terms and conditions scheduled in the Share Purchase Agreement.

3.1.6. The details of Promoter Sellers, who have entered into the Share Purchase Agreement with the Acquirers are stated hereunder:

S.N.	Name, PAN and Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre- Transaction		Post -Transaction	
			No. of Shares	% vis a vis total Share Capital	No. of Shares	% vis a vis total Share Capital
1.	Name: Pawan Kumar Kanoria PAN: AFNPK7940K Address: Bungalow 8/2, Alipore Road, Near Woodland Nursing Home, Kolkata- 700027	Yes	4,05,566	15.66%	Nil	N.A.
2.	Name: Usha Kanoria PAN: AMSPK5511A Address: Bungalow 8/2, Alipore Road, Near Woodland Nursing Home, Kolkata- 700027	Yes	5,99,688	23.16%	Nil	N.A.
3.	Name: Sonal Hada PAN: AASPH7263C Address: Belmont, Flat no. 2A and 2C 18/2, Alipore Road, Near State Bank of India, Kolkata- 700 027	Yes	3,15,386	12.18%	Nil	N.A.
	TOTAL		13,20,640	51.00%	Nil	N.A.

3.1.7. Except for the proposed acquisition of 13,20,640 Equity Shares aggregating 51.00% of the total paid-up capital of the Company by the Acquirers, pursuant to the execution of the Share Purchase Agreement, the Acquirers do not hold any Equity Shares and voting rights of the Target Company as on the date of this Draft Letter of Offer. However, the PACs hold 6,06,692 (Six Lakhs Six Thousand Six Hundred Ninety-Two) Equity Shares constituting 23.43.% of the Voting capital of the Company.

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

3.1.9. The salient features of the Share Purchase Agreement are as follows:

- a. The Promoter Sellers are holding 13,20,640 (Thirteen Lakhs Twenty Thousand Six Hundred Forty) Equity Shares, constituting 51.00% of the Voting Share Capital of the Target Company.
- b. The Promoter Sellers have agreed to sell 13,20,640 (Thirteen Lakhs Twenty Thousand Six Hundred Forty) and the Acquirers have agreed to acquire 13,20,640 (Thirteen Lakhs Twenty Thousand Six Hundred Forty) Equity Shares, constituting 51.00% of the Equity Share Capital/Voting Share Capital of the Target Company, at a negotiated price of at a negotiated price of ₹7.50 (Rupees Seven and Fifty Paise Only) per Sale Share, aggregating to an amount of ₹99,04,800 (Rupees Ninety-Nine Lakhs Four Thousand Eight Hundred Only), payable in accordance with terms and conditions stipulated of the Share Purchase Agreement.
- c. The Sale Shares are free from all charges, encumbrances, pledges, lien, attachments, litigations and are not subjects to any lock in period.

- d. The aggregate entire purchase consideration for the Sale Shares aggregating to an amount of ₹99,04,800 (Rupees Ninety-Nine Lakhs Four Thousand Eight Hundred Only) shall be payable by the Acquirers to the Promoter Sellers:
 - i. By way of Earnest Money Deposit of ₹5,00,000/- (Rupees Five Lakhs Only) at the time of signing of the Share Purchase Agreement.
 - ii. The balance amount of ₹94,04,800/- (Rupees Ninety-Four Lakhs Four Thousand Eight Hundred Only) towards purchase consideration at any time before the completion of the Offer formalities.
 - e. After completion of this Offer and consummation of the Share Purchase Agreement, the Promoter Sellers shall not hold any Equity Shares and Voting Share Capital in the Target Company, and hence shall be no longer be the shareholders of the Target Company in any capacity.
 - f. The Promoter Sellers shall sell, convey, and deliver to the Acquirers the Sale Shares, and the Acquirers shall purchase, acquire, and accept the said Sale Shares from the Promoter Sellers.
 - g. The Acquirers have no intention to delist the Target Company pursuant to this Offer.
 - h. The Acquirers and the Promoter Sellers have agreed to abide by their obligations as contained in the SEBI (SAST) Regulations.
 - i. Non-compliance with any provisions of the SEBI (SAST) Regulations will lead to termination of the Share Purchase Agreement, effecting such sale from being acted upon by the Promoter Sellers or the Acquirers.
- 3.1.10. As per the provisions of Regulations 26 (6) and 26 (7) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to constitute a Committee of Independent Directors who would provide written reasoned recommendation on this Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspaper where the Detailed Public Statement was published.

3.2. DETAILS OF THE PROPOSED OFFER:

- 3.2.1. The Public Announcement announcing the Offer under the provisions of Regulations 3 (1), and 4 read with Regulations 13 (1) and 15 (1) of the SEBI (SAST) Regulations was issued on Thursday, April 21, 2022, by the Manager, for and on behalf of the Acquirers. A copy of the said Public Announcement was filed with CSE and sent to the Target Company at its registered office and to SEBI on Thursday, April 21, 2022.
- 3.2.2. The Detailed Public Statement dated April 28, 2022, which were subsequently published in the following newspapers on Thursday, April 28, 2022, in accordance with the provisions of Regulation 14 (3) of the SEBI (SAST) Regulations:

Publication	Language	Edition
Financial Express	English	All Edition
Jansatta	Hindi	All Edition
Ek Din	Bengali	Kolkata Edition

- 3.2.3. A copy of the DPS filed with CSE and sent to the Target Company at its registered office and to SEBI on Friday, April 28, 2022. The DPS is also available on the website of SEBI at www.sebi.gov.in; CSE at www.cse-india.com and the Manager to the Offer www.gretexcorporate.com.
- 3.2.4. The Acquirers have proposed to acquire from the Public Shareholders up to 6,48,612 (Equity Shares), representing 25.05% of the Equity Share Capital/Voting Share Capital of the Target

Company at a price of ₹7.50 (Rupees Seven and Fifty Paise Only) per Equity Share, aggregating to an amount of ₹48,64,590 (Rupees Forty-Eight Lakhs Sixty Four Thousand Five Hundred Ninety Only) payable in cash, in accordance with the provisions of Regulation 9 (1) (a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the Offer Documents.

- 3.2.5. As on date of this Draft Letter of Offer, the Target Company doesn't have:
 - a. any partly paid-up equity shares;
 - b. outstanding instruments in warrants, or options or fully or partly convertible debentures/preference shares/ employee stock options etc., which are convertible into Equity Shares at a later stage;
 - c. Equity Shares which are forfeited or kept in abeyance;
 - d. Equity Shares which are subject to any lock-in obligations.
- 3.2.6. The Acquirers will accept all the Equity Shares of the Target Company, that are tendered in valid form in terms of this Offer up to a maximum of 6,48,612 (Six Lacs Forty-Eight Thousand Six Hundred and Twelve) Equity Shares, representing 25.05% of the Voting Share Capital.
- 3.2.7. The Acquirers have not acquired any Equity Shares during period of 52 (Fifty-Two) weeks prior to the date of the PA. Further, the Acquirers have not purchased any Equity Shares from the date of the Public Announcement to the date of this Draft Letter of Offer. However, the PACs have acquired 6,06,692 (Six Lakhs Six Thousand Six Hundred Ninety-Two) Equity Shares constituting 23.43% of the Voting Capital during the period of 52 (Fifty-Two) weeks prior to the date of the PA
- 3.2.8. The Acquirers have deposited an amount of ₹49,00,000 (Rupees Forty-Nine Lakhs Only) i.e., more than 100.00% of the total consideration payable in the Offer, assuming full acceptance in the Escrow Account pursuant to this Offer, in compliance with the provisions of Regulation 22 (2) of the SEBI (SAST) Regulations
- 3.2.9. No competing offer has been received as on date of this Draft Letter of Offer.
- 3.2.10. There is no differential pricing in this Offer.
- 3.2.11. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19 (1) of SEBI (SAST) Regulations.
- 3.2.12. This Offer is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 3.2.13. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of Equity Shares.
- 3.2.14. The Equity Shares will be acquired by the Acquirers free from all lien, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus, and rights offer declared hereafter.
- 3.2.15. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Gretex Corporate Services Limited as the Manager to the Offer.
- 3.2.16. As on the date of this Draft Letter of Offer, the Manager to the Offer does not hold any Equity Shares in the Target Company and is not related to the Acquirers and the Target Company in any manner whatsoever. The Manager to the Offer declares and undertakes that, they shall not deal on its own account in the Equity Shares during the Offer Period. Further, the Manager to the Offer confirms that, as on date of this Draft Letter of Offer, there are no directions subsisting or proceedings pending against them under the SEBI Act and the regulations made thereunder, and no other statutory approval is pending.
- 3.2.17. 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) of the public shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full

acceptance, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations. In this case, the Acquirers undertake to take necessary steps to facilitate compliance by the Target Company with the relevant provisions of the SEBI (LODR) Regulations, within the time period mentioned therein or in accordance with such other directions as may be provided by the CSE, in accordance with the provisions of Regulation 7(4) of the SEBI (SAST) Regulations and SCRR.

- 3.2.18. Upon completion of this Offer, assuming full acceptances, the Acquirers along with PACs will hold 25,75,944 Equity Shares representing 99.48% of the Equity Share Capital/Voting Share capital of the Target Company.
- 3.2.19. If the Acquirers acquire Equity Shares of the Target Company during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Offer Shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, including subsequent amendments thereto, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.
- 3.2.20. The payment of consideration shall be made to all the Public Shareholders, who have tendered their Equity Shares in acceptance of the Offer within 10 (Ten) Working Days of the expiry of the Tendering Period. Credit for consideration will be paid to the Public Shareholders who have validly tendered Equity Shares in the Offer by crossed account payee cheques/pay order/demand drafts/electronic transfer. It is desirable that Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/demand draft/pay order.

3.3. OBJECT OF THE PROPOSED OFFER:

- 3.3.1. The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with control and management of the Target Company.
- 3.3.2. The Acquirers propose to continue existing business of the Target Company and may diversify its business activities in future with prior approval of the shareholders of the Target Company. The main purpose of takeover is to expand the Company's business activities in same/diversified line through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.
- 3.3.3. The Acquirers do not have any plans to dispose off or otherwise encumber any significant assets of the Target Company in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirers undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution by way of postal ballot in terms of regulation 25(2) of the SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.
- 3.3.4. The Acquirers have reserved the right to streamline or restructure, pledge, or encumber their holding in the Target Company and/ or the operations, assets, liabilities and/ or the businesses of the Target Company through arrangements, reconstructions, restructurings, mergers, demergers, sale of assets, or undertakings and/ or re-negotiation or termination of the existing contractual or operating arrangements, at a later date in accordance with the relevant applicable laws. Such decisions will be taken in accordance with the procedures set out under the relevant applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances, from time to time.

- 3.3.5. Post-completion of acquisition of Offer Shares as contemplated under this Offer and pursuant to the transfer of Shares as contemplated under the Share Purchase Agreement, the Acquirers shall hold majority of the Equity Shares of the Target Company by virtue of which they will be in a position to exercise effective management and control over the Target Company.
- 3.3.6. Pursuant to this Offer and the transactions contemplated in the Share Purchase Agreement, the Acquirers shall become the Promoters of the Target Company and, the Promoter Sellers will cease to be the promoters of the Target Company in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations.

4. BACKGROUND OF THE ACQUIRERS AND PACS:

4.1 MR. SURENDRA AGARWAL (ACQUIRER 1)

- 4.1.1 Mr. Surendra Agarwal, son of Mr. Durga Prasad Agarwal aged about 62 years having PAN ACIPA8387N under the Income Tax Act 1961, presently residing at FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal-700106 with contact number being “+91-9830663103, e-mail address being mayank@sdfp.in and DIN 00464907
- 4.1.2 Acquirer 1 has completed his Bachelor’s Degree of Commerce from Calcutta University and has 35 years of experience in the areas of Management, Finance, etc.
- 4.1.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate dated March 28, 2022; UDIN: 22309458AGLUTD4325, certified that the net worth of Acquirer 1 as on March 23, 2022 is ₹4,54,55,953/- (Rupees Four Crore Fifty-four Lakhs Fifty-five Thousand Nine Hundred Fifty-three only) which can be used for the acquisition of shares of the Target Company under the Offer.
- 4.1.4 The details of the ventures/controlled/managed by Acquirer 1 are given hereunder:

Sr. No.	Name of the Entities	Nature of Interest	Percentage/ stake holding%	Listed (if Yes on which Exchange)
1.	Jai Shree Ram Vyapaar Private Limited	Director	Nil	No
2.	Linkpoint Dealtrade Private Limited	Director	12.07%	No
3.	S D Polytech Private Limited	Director	4.75%	No
4.	Unity Nirman Private Limited	Director	Nil	No
5.	Sree Durga Fibre Products Private Limited	Director	8.67%	No
6.	Planet Tie-up Private Limited	Director	4.31%	No

- 4.1.5 Acquirer 1 has not acquired any Equity Share of the Target Company either in the current financial year or in the period of eight financial years preceding the current financial year. Further, the Acquirer 1 has entered into a Share Purchase Agreement dated April 21, 2022 to acquire 3,50,201 (Three Lakh Fifty Thousand Two Hundred One) Equity Shares representing 13.52% of the total paid-up equity share capital /voting capital Company the Target Company at a price of ₹7.50 (Rupees Seven and Fifty Paise Only) per Equity Share. However, Mrs Seema Agarwal (PAC 1), wife of Acquirer 1 holds 94,614 (Ninety-Four Thousand Six Hundred Fourteen) Equity Shares representing 3.65% of the total paid-up equity share capital /voting capital Company the Target Company as on the date of this Draft Letter of Offer and the same has been acquired on April 11, 2022.

- 4.1.6 Neither Acquirer 1 nor any of the entities with whom he is associated are in the Securities related business and registered with SEBI as a Market Intermediary.
- 4.1.7 As on date, the Acquirer 1 has no relationship with /interest in the Target Company except for advancing a loan of ₹ 440 Lakhs through entities that he is associated with i.e. Jai Shree Ram Vyapaar Private Limited – ₹ 260 Lakhs and Anupam Advisory Private Limited – ₹ 180 Lakhs.

4.2 MR. SUNIL JAIN (ACQUIRER 2)

- 4.2.1 Mr. Sunil Jain, son of Mr. Manohar Lal Jain aged about 59 years having PAN ACWPI2675C under the Income Tax Act 1961, presently residing at House No.51, Near Metro Pillar No. 380, Raja Garden, Ramesh Nagar, West Delhi-110015 with contact number being “+91-9810364833, e-mail address being mayank@sdfp.in and DIN 00486597
- 4.2.2 Acquirer 2 has completed his Bachelor’s in Commerce from Delhi University and has over 25 years of experience in the field of Marketing.
- 4.2.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate dated March 28, 2022; UDIN: 22309458AGLURM6935, has certified that the net worth of Acquirer 2 as on March 23, 2022 is ₹4,61,58,294/- (Rupees Four Crore Sixty-One Lakhs Fifty-Eight Thousand Two Hundred Ninety-Four only) which can be used for the acquisition of shares of the Target Company under the Offer.
- 4.2.4 The details of the ventures/controlled/managed by Acquirer 2 are given hereunder:

Sr. No.	Name of the Entities	Nature of Interest	Percentage/ stake holding%	Listed (if Yes on which Exchange)
1.	Valuetime Sales Private Limited	Director	0.18%	No
2.	Linkpoint Dealtrade Private Limited	Director	Nil	No
3.	S D Polytech Private Limited	Director	4.75%	No
4.	Sree Durga Fibre Products Private Limited	Director	21.76%	No
5.	Planet Tie-up Private Limited	Director	Nil	No

- 4.2.5 Acquirer 2 has not acquired any Equity Share of the Target Company either in the current financial year or in the period of eight financial years preceding the current financial year. Further, the Acquirer 2 has entered into a Share Purchase Agreement dated April 21, 2022 to acquire 2,40,053 (Two Lakh Forty Thousand Fifty-Three) Equity Shares representing 9.27% of the total paid-up equity share capital /voting capital Company the Target Company at a price of ₹ 7.50 (Rupees Seven and Fifty Paise Only) per Equity Share.
- 4.2.6 Neither Acquirer 2 nor any of the entities with whom he is associated with are in the Securities related business and registered with SEBI as a Market Intermediary.
- 4.2.7 As on date, the Acquirer 2 has no relationship with /interest in the Target Company.

4.3 MRS. ANITA JAIN (ACQUIRER 3)

- 4.3.1 Mrs. Anita Jain, wife of Mr. Sunil Jain aged about 56 years having PAN AAFPJ4324Q under the Income Tax Act 1961, presently residing at House No.51, Near Metro Pillar No. 380, Raja Garden, Ramesh Nagar, West Delhi-110015 with contact number being “+91-9830211316, e-mail address being mayank@sdfp.in and DIN: N.A.
- 4.3.2 Acquirer 3 has completed his Bachelor’s in Art from Haryana University and has more than 7

years of experience in the areas of Finance.

- 4.3.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate dated March 28, 2022; UDIN: 22309458AGLUIJ5851, certified that the net worth of Acquirer 3 as on February 28, 2022 is ₹1,95,03,611/- (Rupees One Crore Ninety-Five Lakhs Three Thousand Six Hundred Eleven only) which can be used for the acquisition of shares of the Target Company under the Offer.
- 4.3.4 Acquirer 3 has not acquired any Equity Share of the Target Company either in the current financial year or in the period of eight financial years preceding the current financial year. Further, the Acquirer 3 has entered into a Share Purchase Agreement dated April 21, 2022 to acquire 1,60,000 (One Lakh Sixty Thousand) Equity Shares representing 6.18% of the total paid-up equity share capital /voting capital Company the Target Company at a price of ₹7.50 (Rupees Seven and Fifty Paise Only) per Equity Share.
- 4.3.5 Neither Acquirer 3 nor any of the entities with whom she is associated with are in the Securities related business and registered with SEBI as a Market Intermediary.
- 4.3.6 As on date, the Acquirer 3 has no relationship with /interest in the Target Company.

4.4 MR. AKHIL JAIN (ACQUIRER 4)

- 4.4.1 Mr. Akhil Jain, son of Mr. Sunil Kumar Jain aged about 35 years having PAN AGSPJ0106E under the Income Tax Act 1961, presently residing at 51, Raja Garden, Near Handa Nursing Home Ramesh Nagar, Ramesh Nagar, West Delhi, Delhi -110015 with contact number being “+91-9810364833, e-mail address being mayank@sdfp.in and DIN 06635949
- 4.4.2 Acquirer 4 has completed his Master’s Degree in Business Administration from JP University and has over 10 years of experience in the areas of marketing.
- 4.4.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate dated March 28, 2022; UDIN: 22309458AGLVAV7557, certified that the net worth of Acquirer 4 as on February 28, 2022 is ₹2,07,96,568/- (Rupees Two Crore Seven Lakhs Ninety-Six Thousand Five Hundred Sixty-Eight only) which can be used for the acquisition of shares of the Target Company under the Offer.
- 4.4.4 The details of the ventures/controlled/managed by Acquirer 4 are given hereunder:

Sr. No.	Name of the Entities	Nature of Interest	Percentage/ stake holding%	Listed (if Yes on which Exchange)
1.	Anupam Nirman Private Limited	Director	Nil	No
2.	TVL Engineers Private Limited	Director	5.29%	No
3.	Shyamrai Ecopack Private Limited	Director	50.00%	No
4.	Unity Nirman Private Limited	Director	15.49%	No
5.	Jagjanani Sales Private Limited	Director	Nil	No

- 4.4.5 Acquirer 4 has not acquired any Equity Share of the Target Company either in the current financial year or in the period of eight financial years preceding the current financial year. Further, the Acquirer 4 has entered into a Share Purchase Agreement dated April 21, 2022 to acquire 2,70,386 (Two Lakh Seventy Thousand Three Hundred Eighty-Six) Equity Shares representing 10.44% of the total paid-up equity share capital /voting capital Company the Target Company at a price of ₹7.50 (Rupees Seven and Fifty Paise Only) per Equity Share.

4.4.6 Neither Acquirer 4 nor any of the entities with whom he is associated with are in the Securities related business and registered with SEBI as a Market Intermediary.

4.4.7 As on date, the Acquirer 4 has no relationship with /interest in the Target Company.

4.5 MRS. SHILPA JAIN (ACQUIRER 5)

4.5.1 Mrs. Shilpa Jain, wife of Mr. Akhil Jain aged about 33 years having PAN ALHPJ1492K under the Income Tax Act 1961, presently residing at 51, Raja Garden, Handa Nursing Home Zakhira, West Delhi, Delhi -110015 with contact number being “+91-9830211316,” e-mail address being mayank@sdfp.in and DIN: N.A.

4.5.2 Acquirer 5 has completed his master’s degree in Business Administration from Sikkim, Manipur University and has over 5 years of experience in the areas of finance.

4.5.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate dated March 28, 2022; UDIN: 22309458AGLUKU8143, has certified that the net worth of Acquirer 5 as on March 23, 2022 is ₹1,51,41,434/- (Rupees One Crore Fifty-One Lakhs Forty-One Thousand Four Hundred Thirty-Four Only) which can be used for the acquisition of shares of the Target Company under the Offer.

4.5.4 Acquirer 5 has not acquired any Equity Share of the Target Company either in the current financial year or in the period of eight financial years preceding the current financial year. Further, the Acquirer 5 has entered into a Share Purchase Agreement dated April 21, 2022 to acquire 3,00,000 (Three Lakh) Equity Shares representing 11.59% of the total paid-up equity share capital /voting capital Company the Target Company at a price of ₹7.50 (Rupees Seven and Fifty Paise Only) per Equity Share.

4.5.5 Neither Acquirer 5 nor any of the entities with whom she is associated with are in the Securities related business and registered with SEBI as a Market Intermediary.

4.5.6 As on date, the Acquirer 5 has no relationship with /interest in the Target Company.

INFORMATION ABOUT THE PACS

4.6 MRS. SEEMA AGARWAL (PAC 1)

4.6.1 Mrs. Seema Agarwal, wife of Mr. Surendra Agarwal aged about 59 years having PAN AFIPA7860H under the Income Tax Act 1961, presently residing at FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal-700106 with contact number being “+91-8013190000, e-mail address being mayank@sdfp.in and DIN: N.A.

4.6.2 PAC 1 has completed his Bachelor’s in Art from Punjab University and has more than 15 years of experience in the areas of Finance.

4.6.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate dated March 28, 2022; UDIN: 22309458AGLUNS4126, has certified that the net worth of PAC 1 as on March 23, 2022 is ₹3,03,79,008/- (Rupees Three Crore Three Lakhs Seventy-Nine Thousand Eight Only) which can be used for the acquisition of shares of the Target Company under the Offer.

4.6.4 Neither PAC 1 nor any of the entities with whom she associated are in the Securities related

business and registered with SEBI as a Market Intermediary.

- 4.6.5 PAC 1 has no relationship with /interest in the Target Company except that she holds 94,614 (Ninety-Four Thousand Six Hundred Fourteen) Equity Shares representing 3.65% of the total paid-up equity share capital /voting capital Company the Target Company as on the date of this Draft Letter of Offer.

4.7 MRS. SOMYA GOYAL (PAC 2)

- 4.7.1 Mrs. Somya Goyal, wife of Mr. Mayank Goyal aged about 35 years having PAN AGUPA8580D under the Income Tax Act 1961, presently residing at FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal- 700106 with contact number being “+91-9163308544, e-mail address being mayank@sdfp.in and DIN: N.A.
- 4.7.2 PAC 2 has completed her master’s degree in Business Administration from ICFAI, Hyderabad and has over 10 years of experience in the areas of marketing.
- 4.7.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate dated March 28, 2022; UDIN: 22309458AGLUZV9017, certified that the net worth of PAC 2 as on March 23, 2022 is ₹90,75,615/- (Rupees Ninety Lakhs Seventy-Five Thousand Six Hundred Fifteen only) which can be used for the acquisition of shares of the Target Company under the Offer.
- 4.7.4 Neither PAC 2 nor any of the entities with whom she is associated with are in the Securities related business and registered with SEBI as a Market Intermediary.
- 4.7.5 PAC 2 has no relationship with /interest in the Target Company except that she holds 2,12,078 (Two Lakhs Twelve Thousand Seventy-Eight) Equity Shares representing 8.19% of the total paid-up equity share capital /voting capital Company the Target Company as on the date of this Draft Letter of Offer.

4.8 MR. MAYANK GOYAL (PAC 3)

- 4.8.1 Mr. Mayank Goyal, son of Mr. Surendra Agarwal aged about 36 years having PAN AILPG6063E under the Income Tax Act 1961, presently residing at FD-356, Salt Lake City, Sector-3, Kolkata, Bidhan Nagar, IB Market, Salt Lake, North 24 Parganas, West Bengal-700106 with contact number being “+91-9830211316,” e-mail address being mayank@sdfp.in and DIN: 06476192
- 4.8.2 PAC 3 has completed his Bachelor’s Degree in Commerce from Calcutta University and has over 10 years of experience in the areas of finance.
- 4.8.3 Mr. Ankit Kumar Pandey, Chartered Accountant (Membership No.: 309458), Partner at M/s Santosh Mohta & Co., (Chartered Accountant) firm registration number 322357E having office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India, Contact No. +91 33 40014568; +91 9831079541, e-mail id: smc322357e@gmail.com has vide its certificate date March 28, 2022; UDIN: 22309458AGLUI2835, that the net worth of PAC 3 as on March 23, 2022 is ₹1,79,27,158/- (Rupees One Crore Seventy-Nine Lakhs Twenty-Seven Thousand One Hundred Fifty-Eight Only) which can be used for the acquisition of shares of the Target Company under the Offer.
- 4.8.4 The details of the ventures/controlled/managed by PAC 3 are given hereunder:

Sr. No.	Name of the Entities	Nature of Interest	Percentage/ stake holding%	Listed (if Yes on which Exchange)
1.	Lupin Infotech Private Limited	Director	Nil	No
2.	TVL Engineers Private Limited	Director	2.39%	No

3.	Shyamrai Limited	Ecopack Private	Director	50.00%	No
4.	Maryland Limited	Suppliers Private	Director	Nil	No
5.	Syringa Limited	Mercantile Private	Director	Nil	No
6.	Jagjanani Sales Private Limited		Director	13.39%	No
7.	Anupam Limited	Advisory Private	Director	Nil	No

4.8.5 Neither PAC 3 nor any of the entities with whom he is associated with are in the Securities related business and registered with SEBI as a Market Intermediary.

4.8.6 PAC 3 has no relationship with /interest in the Target Company except that he holds 3,00,000 (Three Lakhs) Equity Shares representing 11.59% of the total paid-up equity share capital /voting capital Company the Target Company as on the date of this Draft Letter of Offer.

4.9 Confirmation and Undertaking by the Acquirers

As on date of this DPS, the Acquirers, have individually confirmed, warranted, and undertaken that:

4.9.1 They do not hold any Equity Shares in the Target Company, except in pursuant to the execution of the SPA, the Acquirers proposes to acquire Sale Shares, subsequently, pursuant to consummation of the SPA transaction, the Acquirers shall be classified and will become the Promoters of the Target Company, subject to the compliance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including subsequent amendments thereto (“**SEBI (LODR) Regulations**”).

4.9.2 They do not belong to any group.

4.9.3 i. Acquirer 1 is related to PAC 1 as Husband; ii. Acquirer 2 is related to Acquirer 3 as husband to Acquirer 4 as Father and to Acquirer 5 as father-in-law; iii. Acquirer 3 is related to Acquirer 2 as Wife, to Acquirer 4 as mother and Acquirer 5 as Mother-in law; iv) Acquirer 4 is related to Acquirer 2 and 3 as son and to Acquirer 5 as Husband, v) Acquirer 5 is related to Acquirer 2 and 3 as daughter-in-law and to Acquirer 4 as wife, vi) PAC 2 and 3 are related to each other as husband and wife.

4.9.4 The Acquirers and PACs are not forming part of the present promoter and promoter group of the Target Company.

4.9.5 There are no directors representing the Acquirers and PACs on the board of the Target Company.

4.9.6 The Acquirers and PACs have not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (“SEBI Act”) or under any other Regulation made under the SEBI Act.

4.9.7 The Acquirers and PACs have not been categorized nor are appearing in the ‘Wilful Defaulter’ list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India.

4.9.8 The Acquirers and PACs are not declared as ‘Fugitive Economic Offenders’ under Section 12 of the Fugitive Economic Offenders Act, 2018.

4.9.9 There are no other persons acting in concert in relation to this Offer with the Acquirers within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.

4.9.10 The Acquirers and PACs will not sell the Equity Shares of the Target Company, held, and acquired, if any, during the Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations

5. BACKGROUND OF RELIANCE JUTE MILLS(INTERNATIONAL) LIMITED (“RJML” or “TARGET COMPANY”)

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

- 5.1. The Target Company was incorporated as a Public Limited Company under the provisions of the Companies Act, 1956 on September 18,1996 in the State of West Bengal. The CIN of Target Company is L17125WB1996PLC081382. There has been no change in name of the Target Company since incorporation. The Registered Office of the Target Company is presently situated at Ideal Plaza, South Block 4th Floor, 11/1, Sarat Bose Road, Kolkata West Bengal- 700020, India Tel. No.: 91-33 2280 7017/18; Email Id: financeho@reliancejute.com. The website is www.reliancejute.com
- 5.2. As on the date of this Draft Letter of Offer, the Authorized Share Capital of RJML is ₹18,01,00,000/- divided into 30,10,000 (Thirty Lakh Ten Thousand) Equity Shares of ₹10/- (Rupees Ten Only) each aggregating to ₹3,01,00,000 (Rupees Three Crore One Lakh Only) and 15,00,000 (Fifteen Lakhs) 6% Redeemable Cumulative Preference Shares of ₹100/- (One Hundred Only) each aggregating to ₹15,00,00,000 (Rupees Fifteen Crore Only). The Issued, Subscribed & Paid-up Capital of the RJML is ₹2,58,94,900 comprising of 25,89,490 equity shares of ₹10/- each. As on date the Target Company does not have any partly paid equity shares. There are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. None of the shares are under lock-in.
- 5.3. The trading in the Equity Shares of the Company have never been suspended on the Stock Exchange
- 5.4. The Equity Capital of the Company is as under:

Paid up Equity Shares of Target Company	No. of Equity Shares / Voting Rights	% of Equity Shares/ Voting Rights
Fully Paid-up Equity Shares	25, 89,490	100%
Partly Paid-up Equity Shares	Nil	N.A.
Total Paid-up Equity Shares	25, 89,490	100%
Total voting rights in the Target Company	25, 89,490	100%

- 5.5. Presently, the Target Company is one of the pioneers of non-traditional goods such as Decorative Fabrics and Jute Yarn, both ideally suited for high quality export markets. In addition to this, the Target Company has forayed into other new areas are Food Grade Jute Products (“Hydrocarbon Free”) and "Geo- Textiles” Or “Soil Savers”.
- 5.6. The entire Equity Share Capital of RJML is listed at CSE Ltd., having a scrip code of “028387” and Scrip Id: RELJUTEMILL. As CSE is non-operational, there has been no trading in the Equity Shares of the Target Company on CSE for past few years and hence the equity shares of RJML are infrequently traded on CSE within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.
- 5.7. The Target Company has already established connectivity with Central Depositories Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The ISIN Number is INE297E01016
- 5.8. As on the date of this DLOO, the Board of Directors of RJML is as follows:

S.N.	Name of the Director	DIN	Designation	Date of Appointment/Re-Appointment
1.	Shri Pawan Kumar Kanoria	00305297	Executive Chairman	18/09/1996
2.	Shri Sanjay Hada	00305476	Managing Director and CEO	02/02/1998
4.	Shri Shiv Kumar Seksaria	00309725	Non-Executive Director	28/10/2020
5.	Shri Pradeep Kumar Jain	00372338	Independent Director	18/08/2004
6.	Shri Rohit Banka	07521286	Independent Director	11/12/2017
7.	Shri Piyush Bhartia	00154138	Independent Director	31/07/2007

- 5.9. The Target Company has not been involved in any scheme of amalgamation, restructuring, merger / de-merger, buy-back and spin off during the last 3 (Three) years.
- 5.10. The Target Company is in compliance with the SEBI (LODR) Regulations, and as on date of this Draft Letter of Offer, no penal action has been taken by the Stock Exchange against the Target Company.
- 5.11. The Target Company is not registered with any regulatory or governmental authority in any capacity and hence is not required to obtain any No Objection Certificate from any regulatory or governmental authority for effecting change in control of the Target Company.
- 5.12. The Target Company has no subsidiaries or any associate company.
- 5.13. **Financial Information:**

The brief financial information of the Target Company as per the audited financial statements for the last three financial years ended on March 31, 2019; March 31, 2020 and March 31, 2021 and the unaudited financials as at for the nine-month period ended December 31, 2021 which have been subject to Limited Review by M/s. J K V S & Co., Chartered Accountants, the Statutory Auditors of the Target Company are stated hereunder:

Profit & Loss Statement:

(Rs. in '000)

For the Year Ended	December 31, 2021 (Un Audited) (Limited Reviewed)	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
Income from Operations	13,11,600	17,29,417	18,90,769	21,81,993
Other Income	400	548	1,160	72,637
Total Income	13,12,000	17,29,965	18,91,929	22,54,630
Total Expenditure (excluding depreciation and interest)	14,44,500	19,00,387	19,80,250	23,58,478
Profit/ (Loss) before Interest, Depreciation and Tax	(1,32,500)	(1,70,422)	(88,321)	(1,03,848)
Interest	25,000	32,939	31,101	61,123
Depreciation	8,600	12,793	13,662	15,277
Profit/ (Loss) Before Tax	(1,66,100)	(2,16,154)	(1,33,084)	(1,80,248)
Exceptional Items Exceptional Gain in Insurance	-	-	68,420	
Provision for Tax (including fringe benefit tax)	-	-	(18)	(383)
Profit/ (Loss) After Tax	(1,66,100)	(2,16,154)	(64,682)	(1,80,631)

Balance Sheet:

As on	(Rs. in '000)			
	December 31, 2021 (Un Audited) (Limited Reviewed)	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
Sources of funds				
Paid-up Share Capital	25,895	25,895	25,895	25,895
Reserves & Surplus (excluding revaluation reserves)		(2,61,925)	(27,570)	42,778
Less:- Miscellaneous Expenditure not written off		-	-	-
Net Worth		(2,36,030)	(1,675)	68,673
Non- Current Liabilities:				
Borrowings		1,17,180	72,876	56,739
Provisions		3,41,267	2,81,315	2,74,918
Other Non- Current Liabilities		7,437	9,607	12,953
Total Current Liabilities		10,13,715	8,83,871	6,11,079
Total		12,43,566	12,45,994	10,24,362
Uses of funds				
Fixed Assets		6,90,571	7,02,695	7,15,059
Other Intangible Assets		283	658	1,033
Other non- Current Assets		9,113	8,826	24,024
Total Current Assets		5,43,599	5,33,815	2,84,246
Total Miscellaneous Expenditure not written off		-	-	-
Total		12,43,566	12,45,994	10,24,362

Other Financial Data:

For the Year Ended	December 31, 2021 (Un Audited) (Limited Reviewed)	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
Dividend (%)	-	-	-	-
Earnings Per Share (Rs.)	(64.13)	(83.47)	(24.98)	(69.76)
Return on Net worth (%)	-	(91.58%)	(3861.61%)	(263.03%)
Book Value Per Share (Rs.)	-	(9.11)	(0.06)	2.42

* Non annualised

Note:

EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period.

Return on Net Worth = Profit after Tax / Net Worth

Book Value per Share = Net Worth / No. of equity shares

Source: Audited Annual Reports/ Audited Financial Statements

5.14. Pre- and Post-Offer Shareholding Pattern of RJML (based on Issued, Subscribed & Paid-up Equity and Voting Share Capital) is as under:

Shareholders' Category	Shareholding/voting rights prior to the SPA/acquisition, Pref Issue and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding /voting rights after SPA/Acquisition, Pref Issue and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoter / Promoter Group:								
(a) Parties to Share Purchase Agreement								
Pawan Kumar Kanoria	405566	15.66%	Nil	Nil	Nil	Nil	Nil	Nil
Pawan Kumar Kanoria (HUF)	13546	0.52%	Nil	Nil	Nil	Nil	13547	0.52%
Usha Kanoria	599688	23.16%	Nil	Nil	Nil	Nil	Nil	Nil
Sonal Hada	315386	12.18%	Nil	Nil	Nil	Nil	Nil	Nil
Total (a)	1334186	51.52%	Nil	Nil	Nil	Nil	Nil	Nil
b) Promoters other than (a) above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL 1 (a+b)	1334186	51.52%	Nil	Nil	Nil	Nil	Nil	Nil
2. Acquirers								
Surendra Agarwal (Acquirer 1)	Nil	Nil	350201	13.52%	324306	12.52%	674507	26.05%
Sunil Jain (Acquirer 2)	Nil	Nil	240053	9.27%	324306	12.52%	564359	21.79%
Ankita Jain (Acquirer 3)	Nil	Nil	160000	6.18%	Nil	Nil	160000	6.18%
Akhil Jain (Acquirer 4)	Nil	Nil	270386	10.44%	Nil	Nil	270386	10.44%
Shilpa Jain (Acquirer 5)	Nil	Nil	300000	11.59%	Nil	Nil	300000	11.59%
TOTAL 2	Nil	Nil	1320640	51.00%	648612	25.05%	1969252	76.05%
3. PACs								
Seema Agarwal	94614	3.65%	Nil	Nil	Nil	Nil	94614	3.65%
Somya Goyal	212078	8.19%	Nil	Nil	Nil	Nil	212078	8.19%
Mayank Goyal	300000	11.59%	Nil	Nil	Nil	Nil	300000	11.59%
TOTAL 3	606692	23.43%	Nil	Nil	Nil	Nil	606692	23.43%
4. Parties to Agreement other than 1(a) & 2 - None								
5. Public (other than Parties to Agreement and Acquirer)								
i. FI / Banks / MFs / FIIs / SFIs	-	-						
ii. Others	648612	25.05%			(648612)	(25.05)%		
Total (4) (a+b)								
GRAND TOTAL (1+2+3+4+5)	2589490	100.00%	1320640	51.00%	Nil	Nil	2589490	100.00%

Notes:

- i. There are 1,639 (One Thousand Six Hundred Thirty-Nine) Public Shareholders as per the shareholding pattern with CSE filed for the quarter ending December 31, 2021.
 - ii. As on date of this Draft Letter of Offer, none of the Equity Shares are subject to lock-in.
- 5.15. There are no directions subsisting or proceedings pending against the Target Company and its Promoters, including existing Selling Promoters, and its partners and/or designated partners, under the SEBI Act and the regulations made thereunder or by any other regulator. Further, no penalties had been or have been levied by SEBI/ RBI or any other regulatory body against the Target Company and its Promoters, including existing Selling Promoters, and its partners and/or designated partners. Further, no statutory approvals are pending as on date.
- 5.16. The Target Company and its directors are not or have not been declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018, including subsequent amendments thereto, nor are they or have they been categorized nor are appearing in the 'Wilful Defaulter' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- 5.17. The closing market price of the Equity Shares of the Target Company as on the date of the Public Announcement and the Detailed Public Statement, the trading day after the date of the Public Announcement was as below:

PARTICULARS	CLOSING MARKET PRICE
April 21, 2022, the date of the PA	No trading
April 22, 2022, the next trading day after the PA	No trading
April 28, 2022, the date of the DPS	No trading
April 29, 2022, the next trading day after the DPS	No trading

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS**6.1. Justification of Offer Price**

- 6.1.1. The Equity Shares of the Target Company are currently listed on CSE Limited (CSE) with Scrip Id: RELJUTEMILL and Scrip code: "028387".
- 6.1.2. The trading turnover in the Equity Shares of the Target Company on CSE based on trading volume during the 12 (twelve) calendar months prior to the month of PA (April 01, 2021 to March 31, 2022) as obtained from www.cseindia.com is given below:

Stock Exchange	Total No. of Equity Shares traded during the 12 (twelve) calendar months prior to the month of the Public Announcement (A)	Total No. of listed equity shares of the Target Company (B)	Total Traded Turnover (as % of total Equity Shares listed) (A/B)
CSE	Zero (0)	2589490	Zero% (0)

Based on the above information, equity Shares of the Target Company are infrequently traded shares within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.

- 6.1.3. The Offer Price has been determined taking into account the parameters as set out under regulation 8 (2) of the SEBI (SAST) Regulations, as under:

Sr. No.	Particulars	Price (In ₹ per share)
1.	Negotiated Price under the Share Purchase Agreement attracting the obligations to make a Public Announcement for the Offer	7.50
2.	The Volume Weighted Average Price paid or payable for acquisitions by the Acquirer during 52 weeks immediately preceding the date of PA that should have been made	7.50

Sr. No.	Particulars	Price (In ₹ per share)
3.	Highest price paid or payable for acquisitions by the Acquirer / PAC during 26 weeks immediately preceding the date of PA that should have been made	7.50
4.	The Volume Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the public announcement that should have been made as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not traded in the past 60 Trading days
5.	Other Financial Parameters as at 31 st March, 2021: (a) NAV per Equity Share* (b) Price Earning Capacity Value per Equity Share (c) Market Based Value	7.44

**The Fair Value of the Target Company is ₹7.44 per share as certified vide Valuation Report dated April 21, 2022 issued by CA Amol Chandrakant Bongale (Membership No. 133225), IBBI Registered Valuer Registration number IBBI/RV/03/2020/12847; UDIN: 22133225AHNVZI4306, having office at Lodha Regency, O wing, Flat No. 402, Manpada, Dombivli (East), Thane - 421201 Tel. No.: +91 9145687573 / +91 8080327931, E-mail: rvamolbongale@gmail.com.*

- 6.1.4. In view of the above parameters considered and presented in the table above, in the opinion of the Acquirer and Manger to the Offer, the Offer Price of Rs. 7.50 per equity share being the highest of the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations, 2011.
- 6.1.5. The relevant price parameters have not been adjusted for any corporate actions.
- 6.1.6. As on date of this DLOO, there is no revision in Open Offer price or Open Offer size. In case of any revision in the Open Offer price or Offer Size, the Acquirers shall comply with regulation 18 of the SEBI (SAST) Regulations and all other applicable provisions of the SEBI (SAST) Regulations.
- 6.1.7. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working day before the date of commencement of the tendering period and would be notified to shareholders.
- 6.1.8. If the Acquirer acquire or agrees to acquire any Equity Shares or Voting Rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the Regulations, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirer shall (i) make public announcement in the same newspapers in which this DPS has been published; and (ii) simultaneously notify to SEBI, CSE, and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the Regulations.
- 6.1.9. If the Acquirers acquires Equity Shares of the Target Company during the period of twenty-six (26) weeks after the tendering period at a price higher than the Offer Price, the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty (60) 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 SEBI (SAST) Regulations, 2011 or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

7. FINANCIAL ARRANGEMENTS:

- 7.1 In terms of Regulation 25(1), the Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged.
- 7.2 The Maximum Consideration, i.e., total funding requirement for the Open Offer assuming full acceptance of the Offer, is Rs. 48,64,590 (Rupees Forty-Eight Lakhs Sixty-Four Thousand Five Hundred Ninety only).
- 7.3 In accordance with Regulation 17 of the SEBI (SAST) Regulations, as a security for the performance, the Acquirers, and the Manager to the Offer have entered into the Escrow Agreement with ICICI Bank Limited (acting through its office at ICICI Bank Limited, Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400 020, Maharashtra, India) on April 22, 2022 and by way of security for performance by the Acquirers of their obligations under the SEBI (SAST) Regulations, the Acquirers have created an escrow account in the name and the style “**Reliance Jute Mills International Limited Open Offer Escrow Account**” (“Escrow Account”) with Account No. 000405134089, with the Escrow Bank. The Acquirers has deposited an amount of Rs. 49,00,000 (Rupees Forty-Nine Lakhs only), being more than 100% of the Open Offer Consideration (assuming full acceptance in the Open Offer), in the Escrow Account.
- 7.4 Ankit Kumar Pandey Partner of Santosh Mohta & Co., Chartered Accountants (Membership No: 309458, Firm Registration No. 322357E) having his office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India; Email id: smc322357e@gmail.com; vide certificate dated March 28, 2022 bearing Unique Document Identification Number (UDIN) certified that the Acquirers have adequate and firm financial resources through verifiable means to fulfill their obligations under this Offer.
- 7.5 The Manager to the Offer is authorized to operate the Escrow account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 7.6 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.
- 7.7 Based on the above, the Manager to the Offer is satisfied that the firm arrangements have been put in place by the Acquirers to implement the offer in full in accordance with the Regulations.
- 7.8 In case of upward revision of the Offer Price and/or the Offer Size, the Acquirer shall deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the Regulations, prior to effecting such revision.

8. TERMS AND CONDITIONS OF THE OFFER:

- 8.1 The Letter of Offer shall be mailed to all those Public Shareholders of the Target Company whose names appear on the Register of Members and to the beneficial owners of the Equity Shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on the Identified Date, i.e., Wednesday, June 01, 2022.
- 8.2 Accidental omission to dispatch the Letter of Offer or the non-receipt or delayed receipt of the Letter of Offer will not invalidate this Offer in anyway.
- 8.3 In terms of the provisions of Regulation 18 (9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in this Offer shall not be entitled to withdraw such acceptance.
- 8.4 Locked-in Shares: None of the Equity Shares of the Target Company are subject to lock-in.
- 8.5 **Eligibility for accepting the Offer:**

- 8.5.1 The Letter of Offer shall be mailed to all the Public Shareholders and/or beneficial owners holding Equity Shares in dematerialized form whose names appear in register of Target Company as on Wednesday, June 01, 2022, the Identified Date.
- 8.5.2 This Offer is also open to persons who own Equity Shares in Target Company but are not registered Shareholders as on the Identified Date.
- 8.5.3 All Equity Shareholders/Beneficial Owners (except the present promoter group, Shareholders, and the Acquirer) who own Equity Shares of Target Company any time before the closure of the Offer are eligible to participate in the Offer.
- 8.5.4 The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, Purva Sharegistry (India) Private Limited, having its registered office Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400011, Maharashtra; E-mail-Id: support@purvashare.com; SEBI Registration No.: INR000001112; The Contact Person is Deepali Dhuri from 10:00 a.m. to 5:00 p.m. on working days (except Saturdays, Sundays and all public holidays), during the period the Offer is open.
- 8.5.5 The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the SEBI's website for applying in the Offer.
- 8.5.6 Unregistered Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.
- 8.5.7 The acceptance of this Offer by the Equity Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 8.5.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s)/beneficial owner(s) of Target Company.
- 8.5.9 The Acquirers, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms and Share Transfer Deed etc. during transit and the Equity Shareholders of Target Company are advised to adequately safeguard their interest in this regard.
- 8.5.10 The acceptance of Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager to the Offer.

The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer.

8.6 Statutory Approvals and conditions of the Offer:

- 8.6.1 To the best of knowledge and belief of the Acquirers, as of the date of the DLOO, no statutory approvals and/ or consents are required. However, the offer would be subject to the receipt of such other statutory approvals as may be required and/ or may subsequently become necessary to acquire at any later date.
- 8.6.2 If any statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirers may withdraw the Offer in the event that such statutory approvals becoming applicable prior to completion of the Offer are refused or otherwise not received for reasons outside the reasonable control of the Acquirer and/or the PACs, in terms of Regulation 23(1) of SEBI (SAST) Regulations. In the event of withdrawal, the Acquirer and the PACs (through the Manager to the Offer) shall within 2 (Two) Working Days of such withdrawal, make a public announcement of such withdrawal stating the

grounds for the withdrawal in accordance with Regulation 23(2) of SEBI (SAST) Regulations, in the same newspapers in which the DPS has been published and shall also send such announcement to the Stock Exchanges, SEBI and the Target Company at its registered office.

- 8.6.3 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER:

- 9.1. The Open Offer shall be implemented by the Acquirers using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as further amended by SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 as per further amendment vide SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and any other as may be amended from time to time, issued by SEBI.
- 9.2. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE, which shall be the Designated Stock Exchange, in the form of a separate window (“**Acquisition Window**”).
- 9.3. For implementation of the Open Offer, the Acquirer have appointed NNM Securities Private Limited (the “**Buying Broker**”) through whom the purchases and settlements on account of the Open Offer would be made by the Acquirers. The contact details of the Buying Broker are as follows:

Name	NNM Securities Private Limited
SEBI Registration No.	INZ000234235
Address	B 6/7, 2nd Floor, Shri Siddhi Vinayak Plaza, off. Link Road, Opp. Citi Mall, Andheri – West, Mumbai - 400053
Contact No.	+91 - 022-40790032
Email Id	nikunj@nnmsecurities.com
Contact Person	Mr, Nikunj Anilkumar Mittal

- 9.4. All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stockbrokers (“**Selling Broker**”), during the normal trading hours of the secondary market during the Tendering Period.
- 9.5. The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for demat equity shares as well as physical equity shares.
- 9.6. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.
- 9.7. Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant).
- 9.8. **Procedure for Equity Shares held in physical form:**
- 9.8.1. In accordance with the Frequently Asked Questions issued by SEBI, ‘FAQs – Tendering of physical shares in buyback offer/open offer /exit offer /delisting’ dated February 20, 2020 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 issued by SEBI the shareholders holding securities in physical form are allowed to tender shares in Offer through tender offer route. However, such tendering shall be as per the provisions of respective regulations.

- 9.8.2. Public Shareholders who are holding physical Equity Shares and intend to participate in the Offer shall approach Selling Broker. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of Equity Shares etc.;
- 9.8.3. After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein along with the complete set of documents for verification procedures to be carried out (a) original share certificate(s), (b) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company, (c) self-attested copy of the shareholder's PAN Card, and (d) TRS, any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (Two) days from the Offer Closing Date by 5:00 p.m. The envelope should be superscripted as 'Reliance Jute Open Offer'. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker;
- 9.8.4. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport;
- 9.8.5. Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. The acceptance of the physical Equity Shares for the Offer shall be subject to verification by the RTA. On receipt of the confirmation from the RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform;
- 9.8.6. Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected;
- 9.8.7. Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of Equity Shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
- a. Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired;
 - b. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s);
 - c. No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance;

9.9. For equity shares held in dematerialised form:

- 9.9.1. The Equity Shareholders who are holding the Equity Shares in dematerialized form and desire to tender their Equity Shares in this Offer shall approach their Selling Broker, indicating details of Shares they wish to tender in Open Offer.

- 9.9.2. The Selling Broker shall provide early pay-in of demat shares (except for Custodian Participant orders) to the Clearing Corporation before placing the bids / orders and the same shall be validated at the time of order entry.
- 9.9.3. For Custodian Participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to custodian again for confirmation.
- 9.9.4. Upon placing the order, the Seller Member shall provide a transaction registration slip generated by the exchange bidding system to the Eligible Public Shareholder on whose behalf the order has been placed. The TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 9.9.5. It is clarified that in case of dematerialized Equity Shares, non-receipt of the completed acceptance form and other documents, but if the lien is marked successfully in the depository system and a valid bid in the exchange bidding system, the tender for this Offer shall be deemed to have been accepted.
- 9.9.6. The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

10. ACCEPTANCE OF EQUITY SHARES:

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

11. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF THE LETTER OF OFFER:

- 11.1. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 11.2. A Public Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Acceptance Form.
- 11.3. The Letter of Offer will be dispatched to all the Public shareholders of the Target Company. Public Shareholders Company, as appearing in the list of members 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 website of SEBI at www.sebi.gov.in or obtain a copy of the same from the Registrar on providing suitable documentary evidence of holding of the Equity Share.
- 11.4. 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.
- 11.5. Alternatively, in case of non-receipt of the Letter of Offer, the eligible Public Shareholders holding the Equity Shares may participate in this Offer by providing their application in plain paper in writing signed by all the shareholder(s), stating name, address, number of Equity Shares held, client-ID number, DP name,

DP-ID number, number of Equity Shares tendered and other relevant documents as mentioned in Paragraph 9.8 titled as 'Procedure for Equity Shares held in physical form' at page 22 of this Draft Letter of Offer. Such eligible Public Shareholders have to ensure that their order is entered in the electronic platform of BSE, made available by BSE before the closure of the Tendering Period.

12. SETTLEMENT PROCESS

- 12.1.** Upon finalization of the basis of acceptance as per the SEBI (SAST) Regulations, the settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
- 12.2.** Details in respect of Public Shareholder's entitlement for this Offer shall be provided to Clearing Corporation by Company/ Registrar to the Offer. On receipt of the same, the Clearing Corporation will cancel excess or unaccepted blocked Equity Shares. On settlement date, all blocked Equity Shares mentioned in the accepted tender will be transferred to the Clearing Corporation.
- 12.3.** In the case of IDT, Clearing Corporation will cancel the excess or unaccepted Equity Shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with tender accepted detail as received from the Registrar to the Offer. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block Equity Shares in the demat account of the Public Shareholder. Post completion of the Tendering Period and receiving the requisite details viz., demat account details and accepted tendered quantity, source depository shall debit the Equity Shares as per the communication/ message received from target depository to the extent of accepted tendered Equity Shares from the Public Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- 12.4.** The Buying Broker will transfer the consideration pertaining to this Offer to the Clearing Corporation's bank account as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under this Offer, the Clearing Corporation will make direct funds pay-out to the respective Eligible Public Shareholders. If the bank account details of any Eligible Public Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or any other relevant Bank, due to any reasons, then the amount payable to the Eligible Public Shareholders will be transferred to the concerned Seller Member for onward transfer to such Eligible Public Shareholder holding Equity Shares in dematerialized form.
- 12.5.** 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 Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the tenders settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE Limited and the Clearing Corporation from time to time.
- 12.6.** For the Eligible Public Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. On settlement date, all blocked Equity Shares mentioned in accepted tender shall be transferred to Clearing Corporation.
- 12.7.** The Equity Shares tendered in the dematerialized form would be transferred directly to the escrow demat account/ demat account of the Acquirer provided it is indicated by the Buying Brokers or it will be transferred by the Buying Broker to the demat escrow account/ demat account of the Acquirer on receipt of the Equity Shares from the clearing and settlement mechanism of BSE Limited.
- 12.8.** Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, if any, tendered by the Eligible Public Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Public Shareholder's DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the respective Eligible Public Shareholder. The Public Shareholders of the demat

Equity Shares will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of demat Equity Shares, due to rejection or due to non-acceptance in this Offer.

- 12.9. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Public Shareholders directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted are less than the Equity Shares tendered in this Offer by Eligible Public Shareholders holding Equity Shares in the physical form.
- 12.10. The Seller Member would issue contract note for the Equity Shares accepted under this Offer and will unblock the excess unaccepted Equity Shares. The Buying Broker would also issue a contract note to the Company for the Equity Shares accepted under this Offer.
- 12.11. Equity Shareholders who intend to participate in this Offer should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied by the Seller Member for tendering Equity Shares in this Offer (secondary market transaction). Therefore, the Offer consideration received by the selling Eligible Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage). The Manager to the Offer and the Acquirers accept no responsibility to bear or pay any additional cost, applicable taxes, charges, and expenses (including brokerage) levied by the Seller Member, and such costs will be borne solely by the Eligible Public Shareholders.
- 12.12. In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure, or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18 (11) of the SEBI (SAST) Regulations grant an extension of time to the Acquirer pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.

13. NOTE ON TAXATION

13.1. General

- 13.1.1. **Securities transaction tax will not be applicable to the Equity Shares accepted in this Offer.**
- 13.1.2. **The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his/her worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961. 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) as also income received by such person in India. In case of shares of a company, the source of income from shares will depend on the "situs" of such shares. As per judicial precedents, the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.**
- 13.1.3. **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.**
- 13.1.4. **Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument ("MLI") as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of General Anti-Avoidance Rule ("GAAR") and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.**

- 13.1.5. **The IT Act also provides for different income-tax regimes/rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.**
- 13.1.6. **The Public Shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income-tax authorities, reporting their income for the relevant year.**
- 13.1.7. **The summary of income-tax implications on tendering of listed equity shares is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.**

13.2. Classification of Shareholders: Public Shareholders can be classified under the following categories:

- a. **Resident Shareholders being:**
 - Individuals, Hindu Undivided Family (“HUF”), Association of Persons (“AOP”) and Body of Individuals (“BOI”)
 - Others:
 - i. Company
 - ii. Other Than Company
- b. **Non-Resident Shareholders being:**
 - Non-Resident Indians (NRIs)
 - Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
 - Others:
 - i. Company
 - ii. Other Than Company

13.3. Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.

13.4. Taxability of Capital Gains in the hands of shareholders

- 13.4.1. Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, unless specifically exempted, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade).
- 13.4.2. As per the current provisions of the IT Act, where the shares are held as investments (i.e. capital assets), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains.
- 13.4.3. Capital Gains in the hands of shareholders would be computed as per the provisions of Section 48 of the IT Act.
- 13.4.4. Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain/ STCG” or “long-term capital gain/ LTCG”:
 - a. In respect of equity shares held for a period less than or equal to 12 (Twelve) months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “STCG”.
 - b. 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 “LTCG”.

- 13.4.5. The Finance Act, 2018, vide Section 112A, has imposed an income tax on LTCG at the rate of 10% (plus applicable surcharge and health and education cess) on 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 both acquisition and sale exceeding Rs. 1,00,000 (Rupees One lakh only) (without any indexation and foreign exchange fluctuation benefits).
- 13.4.6. As per section 111A of the IT Act, STCG arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (plus applicable surcharge and health and education cess) (except under specific categories). However, since STT will not be applicable to the Equity Shares transferred in this Offer, the provisions of Section 112A and Section 111A of the IT Act shall not be applicable.
- 13.4.7. LTCG arising from tendering of Equity Shares in the Offer shall be subject to tax as follows:
- a. LTCG will be chargeable to tax at the rate of up to 20% (plus applicable surcharge and health and education cess) in the case of a non-resident Public Shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
 - b. In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
 - c. For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost may not be available.
 - d. For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and health and education cess) without indexation.
- 13.4.8. Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are transferred under the Offer, will be subject to short term capital gains tax and shall be taxable at the rates prescribed in First Schedule to the Finance Act (i.e. applicable marginal tax rates applicable to different categories of persons) (plus applicable surcharge and health and education cess).
- 13.4.9. Taxability of capital gain arising to a non-resident in India from the transfer 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 fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act.
- 13.4.10. As per Section 70 of the IT Act, short-term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
- 13.4.11. Long-term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.

13.4.12. Investment Funds

Under Section 10 (23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head, "Profits and gains of business or profession" would be exempt from income tax but would be taxable in the hands of their investors. For this purpose, an "Investment Fund" means a fund registered as Category I or Category II Alternative

Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

13.4.13. Mutual Funds

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

13.5. Taxability of business income in hands of shareholders (Shares held as Stock-in-Trade)

If the shares are held as stock-in-trade by any of the eligible Public Shareholders of the Target Company, then the gains will be characterized as business income and taxable under the head “Profits and Gains from Business or Profession”.

a. Profit of Resident Shareholders

- i. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- ii. Domestic companies having turnover or gross receipts not exceeding Rs. 400 crores in the prescribed financial year, will be taxable @ 25%.
- iii. Domestic companies which have opted for concessional tax regime under Section 115BAA and 115BAB of the IT Act will be taxable at 22%, upon meeting certain conditions.
- iv. For persons other than stated in (A), (B) and (C) above, profits will be taxable @ 30%.
- v. No benefit of indexation by virtue of period of holding will be available in any case.

b. Profit of Non-Resident Shareholders

- i. Non-resident Public Shareholders can avail beneficial provisions of the applicable DTAA entered into by India with the relevant country of residence of the shareholder but subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act, as discussed in para 1(d) above.
- ii. Where DTAA provisions are not applicable:
- iii. For non-resident individuals, HUF, AOP and BOI, profits (as determined in accordance with the provisions of the IT Act) will be taxable at slab rates.
- iv. For foreign companies, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @ 40%.
- v. For other non-resident Public Shareholders, such as foreign firms, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @ 30%.

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

14. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Branch office of the Manager to the Offer, M/s. Gretex Corporate Services Limited at its branch office 90, Phears Lane, 5th Floor, Kolkata- 700 012 on any working day between 10.00 a.m. and 5.00 p.m. during the period the Offer is open i.e., Thursday, April 21, 2022 (i.e. Date of Public Announcement) to Tuesday, July 12, 2022 (i.e. Date of Payment Consideration), both days inclusive.

- i) Memorandum & Articles of Association of RJML along with the Certificate of Incorporation.

- ii) Audited Annual Reports for the last three financial years ended, March 31, 2019, March 31, 2020 and March 31, 2021 of Reliance Jute Mill (Internationals) Limited, and unaudited financials subject to limited review for the period ending 31st December, 2021.
- iii) Copy of the Share Purchase Agreement executed between the Acquirer and the Selling shareholders dated April 21, 2022
- iv) Copy of the Public Announcement submitted by the Manager to the Offer on behalf of the Acquirers and, to the Stock Exchanges on April 21, 2022.
- v) Copy of the Detailed Public Statement published by the Manager to the Offer on behalf of the Acquirers on April 28, 2022.
- vi) Copy of the Escrow Agreement between Acquirers, ICICI Bank and Manager to the Offer and the Escrow Bank.
- vii) Copy of the statement received from ICICI Bank Limited confirming the required amount kept in the escrow account and marked lien in favour of Manager to Offer.
- viii) Copy of Registrar Agreement dated April 22, 2022 between the Acquirer and the RTA to the Open Offer for inter-alia opening of Escrow Demat Account for the purpose of the Open Offer;
- ix) The Net Worth of Acquirer 1 as on March 23, 2022 is ₹ 4,54,55,953/- (Rupees Four Crore Fifty-four Lakhs Fifty-five Thousand Nine Hundred Fifty-three only) and the same is certified by Ankit Kumar Pandey Partner of Santosh Mohta & Co., Chartered Accountants (Membership No: 309458, Firm Registration No. 322357E) having his office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India; Email id: smc322357e@gmail.com; vide certificate dated March 28, 2022 bearing Unique Document Identification Number (UDIN) 22309458AGLUTD4325 certifying that the Acquirers have sufficient resources available for the implementation of the Offer in full out of its own sources / financial commitment under this “Offer” in full.
- x) The Net Worth of Acquirer 2 as on March 23, 2022 is ₹ 4,61,58,294/- (Rupees Four Crore Sixty-One Lakhs Fifty-Eight Thousand Two Hundred Ninety-Four only) and the same is certified by Ankit Kumar Pandey Partner of Santosh Mohta & Co., Chartered Accountants (Membership No: 309458, Firm Registration No. 322357E) having his office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India; Email id: smc322357e@gmail.com; vide certificate dated March 28, 2022 bearing Unique Document Identification Number (UDIN) 22309458AGLURM6935 certifying that the Acquirers have sufficient resources available for the implementation of the Offer in full out of its own sources / financial commitment under this “Offer” in full
- xi) The Net Worth of Acquirer 3 as on February 28, 2022 is ₹ 1,95,03,611/- (Rupees One Crore Ninety-Five Lakhs Three Thousand Six Hundred Eleven only) and the same is certified by Ankit Kumar Pandey Partner of Santosh Mohta & Co., Chartered Accountants (Membership No: 309458, Firm Registration No. 322357E) having his office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India; Email id: smc322357e@gmail.com; vide certificate dated March 28, 2022 bearing Unique Document Identification Number (UDIN) 22309458AGLUIJ5851 certifying that the Acquirers have sufficient resources available for the implementation of the Offer in full out of its own sources / financial commitment under this “Offer” in full.
- xii) The Net Worth of Acquirer 4 as on February 28, 2022 is ₹ 2,07,96,568/- (Rupees Two Crore Seven Lakhs Ninety-Six Thousand Five Hundred Sixty-Eight only) and the same is certified by Ankit Kumar Pandey Partner of Santosh Mohta & Co., Chartered Accountants (Membership No: 309458, Firm Registration No. 322357E) having his office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India; Email id: smc322357e@gmail.com; vide certificate dated March 28, 2022 bearing Unique Document Identification Number (UDIN) 22309458AGLVAV7557 certifying that the Acquirers have sufficient resources available for the implementation of the Offer in full out of its own sources / financial commitment under this “Offer” in full.

- xiii) The Net Worth of Acquirer 5 as on March 23, 2022 is ₹ 1,51,41,434/- (Rupees One Crore Fifty-One Lakhs Forty-One Thousand Four Hundred Thirty-Four Only) and the same is certified by Ankit Kumar Pandey Partner of Santosh Mohta & Co., Chartered Accountants (Membership No: 309458, Firm Registration No. 322357E) having his office at Jalan House, 1st Floor, Room No. H 8, B.B.D. Bag (East) Kolkata – 700 001, West Bengal, India; Email id: smc322357e@gmail.com; vide certificate dated March 28, 2022 bearing Unique Document Identification Number (UDIN) 22309458AGLUKU8143 certifying that the Acquirers have sufficient resources available for the implementation of the Offer in full out of its own sources / financial commitment under this “Offer” in full.
- xiv) Copy of the recommendations dated [●] made by the Committee of Independent Directors of the Target Company.
- xv) Copy of SEBI Observation letter no. [●] dated [●].

15. DECLARATION BY THE ACQUIRERS:

For the purpose of disclosures in this Draft Letter of Offer relating to the Target Company, the Acquirers have relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquire, accepts full responsibility for the information contained in this Draft Letter of Offer and also accept responsibility for the obligations of the Acquirer as laid down in the Takeover Regulations. The Acquirers shall be responsible for ensuring compliance with the Takeover Regulations.

ON BEHALF OF THE ACQUIRERS:

Sd/-

Place: Kolkata

Date: May 06, 2022