

LETTER OF OFFER

"This Document is important and requires your immediate attention"

This Letter of Offer is sent to you as a shareholder(s) of **RCL RETAIL 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 Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

| Name | Address | Contact No. | Email Id |
|---------------------|--|---------------|------------------------------|
| Shripal Sanghvi | 14/2, Nadu Kallukara Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008 | 0431- 2707469 | panpargindia@gmail.com |
| Sarika Sanghvi | 14/2, Nadu Kallukara Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008 | 0431- 2707469 | panpargindia@gmail.com |
| Shripal Sanghvi HUF | 14/2, Nadu Kallukara Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008 | 0431- 2707469 | panpargindia@gmail.com |
| Mahipal Sanghvi HUF | 108, Big Kamala Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008 | 91-9443160756 | mahipalsanghvi1979@gmail.com |

(hereinafter referred to as "**The Acquirers**")

**To the shareholders of
RCL RETAIL LIMITED**

(hereinafter referred to as "**RCL**" or the "**Target Company**")

(CIN: L52330TN2010PLC077507)

Registered Office: Ground Floor, Door No. 55, Hunters Road, Vepery, Chennai – 600007, Tamil Nadu
Tel No.: +91-44-4850 8023/ 24; **E-mail:** rclretaillimited@gmail.com; **Website:** www.rclretail.in

For the acquisition of 32,00,600 (Thirty Two Lakh Six Hundred) fully paid up equity Shares of Rs.10/- each representing 26.00% of total equity and voting share capital of the Target Company, at a price of Rs. 10/- (Rupees Ten Only) per equity share (the "**Offer Price**") payable in cash ("**Offer**" or "**Open Offer**").

Please Note:

1. This Offer is being made by the Acquirers pursuant to regulation 3(1) & (4) 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. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Offer. However, the Offer would be subject to all-statutory approvals as may be required and/or may subsequently become necessary to acquire at any later date.
3. If there is any upward revision in the Offer Price/Size at any time up to three (3) working days prior to commencement of the tendering period viz. June 12, 2017 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 April 18, 2017 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. There is no competitive bid.
5. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement/ Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
6. The Offer is not subject to a minimum level of acceptance by the shareholders of RCL and is not a conditional offer.
7. The Procedure for acceptance is set out in Para 7 of this LOF. A Form of Acceptance is enclosed with this LOF.
8. The Public Announcement, Detailed Public Statement and Letter of Offer (including Form of Acceptance cum Acknowledgement) would also be available at SEBI'S website (www.sebi.gov.in).

| MANAGER TO THE OFFER: GRETEX CORPORATE SERVICES PRIVATE LIMITED SEBI REGN NO: INM000012177 (Contact Person: Mr. Tanmoy Banerjee) Office No-13, 1st Floor, Raja Bahadur Mansion, New Bansilal Building, 9-15 Homi Modi Street, Fort, Mumbai – 400023 Phone No : 022-40025273; 9836822199; 9836821999; Fax : 022-40025273 Email: info@gretexgroup.com ; Website: www.gretexcorporate.com | |
|--|--|
| OFFER OPENS ON: FRIDAY, JUNE 16, 2017 | |

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

| Activities | Current | | Revised | |
|--|----------------|-----------|----------------|-----------|
| | Date | Day | Date | Day |
| Date of the PA | April 10, 2017 | Monday | April 10, 2017 | Monday |
| Publication of Detailed Public Statement in newspapers | April 18, 2017 | Tuesday | April 18, 2017 | Tuesday |
| Last date of filing of the Draft Letter of Offer with the SEBI | April 25, 2017 | Tuesday | April 25, 2017 | Tuesday |
| Last date of a Competing Offer# | May 11, 2017 | Thursday | May 11, 2017 | Thursday |
| SEBI observation on Draft Letter of Letter | May 18, 2017 | Thursday | May 31, 2017 | Wednesday |
| Identified Date* | May 22, 2017 | Monday | June 02, 2017 | Friday |
| Date by which the Letter of Offer will be dispatched to the shareholders | May 29, 2017 | Monday | June 09, 2017 | Friday |
| Last date for revising the Offer Price / Offer Size | May 31, 2017 | Wednesday | June 12, 2017 | Monday |
| Last date by which Board of the Target shall give its recommendation | June 01, 2017 | Thursday | June 14, 2017 | Wednesday |
| Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspapers and sending the same to SEBI, Stock Exchanges and Target Company | June 02, 2017 | Friday | June 15, 2017 | Thursday |
| Date of commencement of tendering period | June 05, 2017 | Monday | June 16, 2017 | Friday |
| Date of closing of tendering period | June 16, 2017 | Friday | June 30, 2017 | Friday |
| Date by which all requirement including payment of consideration would be completed | July 03, 2017 | Monday | July 14, 2017 | Friday |

#There has been no competing offer as of the date of this LoF.

*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 Acquirers and the parties to the SPA) 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 Acquirers: -

1. The Offer involves an offer to acquire 26.00% of the total equity and voting share capital of RCL from the eligible persons for the Offer. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
2. 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 Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of RCL 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.
3. 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.
4. The Offer is subject to the receipt of statutory 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.

5. Risks involved in associating with the Acquirers:

The Acquirers intends to acquire 32,00,600 (Thirty Two Lakh Six Hundred)fully paid up equity Shares of Rs.10/- each representing 26.00% of total equity and voting share capital of the Target Company, at a price of Rs. 10/- (Rupees Ten Only) per equity share, payable in cash under the SEBI (SAST) Regulations, 2011. RCL does not have any partly paid-up equity shares as on the date of PA. 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) & 4 of the SEBI (SAST) Regulations.

The Acquirers make no assurance with respect to the market price of the shares during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirers makes no assurance with respect to the financial performance of the Target Company.

6. The Acquirers and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
7. The risk factor set forth above pertains to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete

analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.

CURRENCY OF PRESENTATION

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

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DEFINITIONS/ABBREVIATIONS

| | |
|--|--|
| Acquirers | Mr. Shripal Sanghvi, Mrs. Sarika Sanghvi, M/s. Shripal Sanghvi HUF and M/s. Mahipal Sanghvi HUF (hereinafter collectively referred to as " The Acquirers ") |
| Board | The Board of Directors of the Target Company |
| Book Value per Share | Net Worth/Number of share |
| BSE | BSE Limited |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| DLOF | Draft Letter of Offer dated April 25, 2017 submitted to SEBI for its observations |
| DPS | Detailed Public Statement dated April 18, 2017 |
| Tender Period | Friday, June 16, 2017 to Friday, June 30, 2017 |
| ECS | Electronic Clearing Service |
| Escrow Banker | HDFC Bank Limited |
| Equity and voting share capital | Rs. 1231.00 Lakh divided into 1,23,10,000 equity shares of Rs10/- each |
| FOA or Form of Acceptance | Form of Acceptance – cum – Acknowledgment accompanying this Letter of Offer |
| Identified Date | Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. |
| IFSC | Indian Financial System Code |
| LOF | Letter of Offer |
| Manager to the Offer | Gretex Corporate Services Private Limited |
| NRI(s) | Non- Resident Indians |
| NSDL | National Securities Depository Limited |
| Offer Period | From April 10, 2017 (i.e. date of entering into Memorandum of Understanding between Acquirers and Manager to the Offer) to July 14, 2017 (i.e. date of Payment Consideration) |
| Offer Price | Rs 10/- (Rupees Ten Only) per equity share payable in cash |
| Offer/Open Offer | Cash Offer being made by the Acquirers to acquire 32,00,600 equity shares of Rs 10/- each, representing 26.00 % of the total equity and voting share capital at a price of Rs 10/- (Rupees Ten Only) per equity share |
| PA | Public Announcement dated April 10, 2017 |
| PAT | Profit After Tax |
| Persons eligible to participate in the Offer | All owners (registered and unregistered) of shares of RCL except the Acquirers and parties to the Share Purchase Agreement |
| RBI | Reserve Bank of India |
| Registrar to the Offer | Cameo Corporate Services Limited |
| Return on Net Worth | Profit After Tax/Net Worth |
| Sale Shares | 29,35,000 equity shares of Rs 10/- each at a price of ₹10/- (Rupees Ten Only) per equity share forming part of the SPA |
| SEBI | Securities & Exchange Board of India |
| SEBI (SAST) Regulations/ | Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof. |
| Sellers or Present Promoters | Mrs. Latha Kumari, Mrs. Chandra Kala, Mrs. Santhoes Kumari, Mr. V. Vishal, Mr. S. Hitesh, Mrs. Nikita, Mr. R Vinodh Kumar, Mr. G Rikhab Chand, Mr. R Suresh Kumar, Mr. P. Vikash, Mr. R Prakash Chand and Mr. P. Kamlesh |
| SPA or Agreement | Share Purchase Agreement dated April 10, 2017 entered into between the Acquirers and the Sellers |
| Target Company / RCL | RCL RETAIL LIMITED |

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LOF WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF RCL 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 PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 25, 2017 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."

2. DETAILS OF THE OFFER:

2.1 Background of the Offer:

2.1.1 This Open Offer ("Offer") is being made by Mr. Shripal Sanghvi, Mrs. Sarika Sanghvi, M/s. Shripal Sanghvi HUF and M/s. Mahipal Sanghvi HUF (hereinafter referred to as the "**Acquirers**") in compliance with regulation 3(1) & 4 of the SEBI (SAST) Regulations, to the shareholders of RCL Retail Limited(hereinafter referred to as "**Target Company**" or "**RCL**") a company incorporated and duly registered under the Companies Act, 1956 and having its registered office at Ground Floor, Door No. 55, Hunters Road, Vepery, Chennai – 600007, Tamil Nadu.

2.1.2 The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.

2.1.3 There is no person acting in concert ("**PAC**") with the Acquirers within the meaning of regulation 2 (1) (q) of the SEBI (SAST) Regulations.

2.1.4 The Acquirers are making an Open Offer to acquire 32,00,600 fully paid up equity Shares of Rs 10/- each representing 26.00% of total equity and voting share capital of the Target Company, at a price of Rs 10/- (Rupees Ten Only) per equity share (the "**Offer Price**") payable in cash, subject to the terms and conditions mentioned hereinafter.

2.1.5 The Acquirers have entered into a Share Purchase Agreement dated April 10, 2017 with the present Promoters of the Target Company viz, Mrs. Latha Kumari, Mrs. Chandra Kala, Mrs. Santhoes Kumari, Mr. V. Vishal, Mr. S. Hitesh, Mrs. Nikita, Mr. R Vinodh Kumar, Mr. G Rikhab Chand, Mr. R Suresh Kumar, Mr. P. Vikash, Mr. R Prakash Chand and Mr. P. Kamlesh (hereinafter collectively referred to as the "**Sellers**") to acquire in aggregate 29,35,000 (Twenty Nine Lakh Thirty Five Thousand) equity shares of Rs 10/- each representing 23.84% of the fully paid-up equity and voting share capital of the Target Company at a price of Rs 10/-per fully paid-up equity share payable in cash ("**Negotiated Price**") for a total consideration of Rs 2,93,50,000/- (Rupees Two Crores Ninety Three Lakh Fifty Thousand Only).The detail of the Sellers are as under:

| Sl. No. | Name & Address of Sellers | Nature | No. of Shares | Part of the Promoter/ Promoter Group (Yes/ No) | % to paid Equity Shares |
|---------|---|------------|---------------|--|-------------------------|
| 1. | Mrs.Latha Kumari 37, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 1,10,000 | Yes | 0.89% |
| 2. | Mrs. Chandra Kala 37, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 1,10,000 | Yes | 0.89% |
| 3. | Mrs. Santhoes Kumari 37, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 1,10,000 | Yes | 0.89% |
| 4. | Mr. V. Vishal 37/85, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 1,10,000 | Yes | 0.89% |
| 5. | Mr. S. Hitesh 37, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 1,10,000 | Yes | 0.89% |
| 6. | Mrs. Nikita 37/85, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 1,10,000 | Yes | 0.89% |

| | | | | | |
|--------------|--|------------|------------------|-----|---------------|
| 7. | Mr. R Vinodh Kumar 50, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 1,35,000 | Yes | 1.10% |
| 8. | Mr. G Rikhab Chand 50, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 3,10,000 | Yes | 2.52% |
| 9. | Mr. R Suresh Kumar 50, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 3,97,500 | Yes | 3.23% |
| 10. | Mr. P. Vikash 37, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 4,10,000 | Yes | 3.33% |
| 11. | Mr. R Prakash Chand 50, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 5,10,000 | Yes | 4.14% |
| 12. | Mr. P. Kamlesh 37, Pillaiyar Koil Street, Triplicane, Chennai – 600005, Tamil Nadu | Individual | 5,12,500 | Yes | 4.16% |
| TOTAL | | | 29,35,000 | | 23.84% |

2.1.6 Apart from 1,26,000 equity shares (1.02%) hold by Mrs. Sarika Sanghvi, the Acquirers does not hold any equity shares in the Target Company before the execution of the SPA.

2.1.7 Apart from as mentioned above, 29,35,000 (Twenty Nine Lakh Thirty Five Thousand) fully paid up equity shares of RCL which the Acquirers have acquired pursuant to SPA dated April 10, 2017.

2.1.8 The Acquirers have not acquired any equity shares/voting rights of the Target Company during the fifty- two weeks (52) period immediately preceding the date of the PA.

2.1.9 The Manager to the Offer i.e. Gretex Corporate Services Private Limited does not hold any Equity Shares in the Target Company as on the date of this LOF. The Manager to the Offer further declared and undertakes that they shall not deal in the Equity Shares of the Target Company on their own account during the offer period.

2.1.10 The Offer is not as a result of global acquisition resulting in indirect acquisition of RCL.

2.1.11 The Salient features of the Share Purchase Agreement are as follows:

- The Sellers holds 29,35,000 equity shares of the Target Company aggregating to 23.84% of the present paid up equity and voting share capital of the Target Company.
- The Sellers have agreed to sell and the Acquirers have agreed to acquire in aggregate 29,35,000 fully paid up equity shares of Rs.10/- each ("Sale shares") representing 23.84% of the present paid up equity and voting share capital of the Target Company at a price of Rs. 10/- per share for cash aggregating to Rs.2,93,50,000/- ("Purchase Price").
- The Sale Shares are free from all charges, encumbrances or liens and are not subjects to any lock in period.
- The Acquirers shall pay an amount not less than 50% of the Purchase Price to the Sellers and the Acquirers shall pay the balance consideration after completion of Open Offer.
- The Acquirers intend to reconstitute the Board of Directors of the Target Company subsequent to the completion of this Offer in accordance with the Takeover Regulations, by either appointing themselves and or persons nominated by the Acquirers as additional director on the board of the Target Company. As on date, the Acquirers have not decided the names of the persons to be nominated by them on the board of the Target Company.
- The Sale Shares are free from all charges, encumbrances, pledge, liens, attachments and litigations.
- That the Acquirers and the Sellers agree to abide by its obligations as contained in the SEBI (SAST) Regulations.
- That in case of non-compliance of any provisions of the SEBI (SAST) Regulations; the Agreement for such sale shall not be acted upon by the Sellers or the Acquirers.

2.1.12 The Acquirers have not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.

2.1.13 The Acquirers may, subsequent to successful completion of this Open Offer reconstitute the Board of Directors of the Target Company.

2.1.14 As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.

2.2 Details of the proposed Offer:

2.2.1. The Acquirers have made a Public Announcement on April 10, 2017 to SEBI, BSE, Target Company and Detailed Public Statement pursuant on April 18, 2017 which was published in the following newspapers in accordance with the Regulation 14 (3):

| Publication | Language | Edition |
|--------------------|----------|-----------------|
| Business Standard | English | All Edition |
| Business Standard | Hindi | All Edition |
| Mumbai Lakshwadeep | Marathi | Mumbai Edition |
| Makkal Kural | Tamil | Chennai Edition |

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

- 2.2.2.** The Acquirers propose to acquire from the existing equity shareholders of RCL (except the parties to the SPA) 32,00,600 equity shares of Rs. 10/- each representing 26% of total equity and voting share capital of the Target Company, at a price of Rs. 10 (Ten Only) (the "Offer Price") per equity share payable in cash (the "Offer" of "Open Offer"), subject to the terms and conditions mentioned hereinafter.
- 2.2.3.** The Target Company doesn't have any partly paid up shares. There are no outstanding warrants or option or similar instrument, convertible into equity shares at a later stage. No shares are subject to any lock- in obligations.
- 2.2.4.** The Acquirers will accept all the equity shares of RCL those that are tendered in valid form in terms of this Open Offer up to a maximum of 32,00,600 fully paid-up equity shares of Rs. 10/- each representing 26.00% of the total equity and voting share capital of the Target Company.
- 2.2.5.** Since the date of the PA to the date of this LOF, the Acquirers have not acquired any equity shares of RCL.
- 2.2.6.** No competitive bid has been received as on date of this Letter of Offer.
- 2.2.7.** There is no differential pricing in this Open Offer.
- 2.2.8.** This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19 (1) of SEBI (SAST) Regulations and is not a competitive bid in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 2.2.9.** The offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 2.2.10.** The Equity Shares of the Target Company will be acquired by Acquirers free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 2.2.11.** Pursuant to this Open Offer, assuming full acceptance, the public shareholding in the Target Company will not reduce below the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the SEBI (LODR) Regulations, 2015.
- 2.2.12.** Upon completion of the Offer, assuming full acceptances in the Offer, Acquirers will hold 62,61,600 (Sixty Two Lakh Sixty Thousand Six Hundred) Equity Shares constituting 50.86% of the present issued, subscribed and paid up share capital of the Target Company.

2.3 Object of the Offer:

- 2.3.1** The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 2.3.2** The Acquirers also intend to control over the Target Company & make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance hereof.
- 2.3.3** 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.
- 2.3.4** The Acquirers does not have any plans to dispose off or otherwise encumber any significant assets of RCL 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 in terms of regulation 25(2) of the SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.
- 2.3.5** This Open Offer is for acquisition of 26% of total equity and voting share capital of the Target Company. After the completion of this Open Offer and pursuant to transfer of equity shares so acquired under SPA, the Acquirers shall hold the majority of the Equity Shares by virtue of which they shall be in a position to exercise effective management and control over the Target Company.
- 2.3.6** Subject to satisfaction of the provisions under the Companies Act, 1956/ 2013, whichever applicable, the SEBI (SAST) Regulations and/ or any other Regulation(s), the Acquirers intend to control & make changes in the management of RCL.

3. BACKGROUND OF THE ACQUIRERS:

3.1 Mr. Shripal Sanghvi (Acquirer 1)

3.1.1. Mr. Shripal Sanghvi, S/o, Mr. Veeramchand, aged about 43 years, presently residing at 14/2, Nadu Kallukara Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008 Tel. No. 0431- 2707469; Email: panpargindia@gmail.com.

3.1.2. Mr. Shripal Sanghvi is Under Graduate.

3.1.3. Mr. Shripal Sanghvi has experience of approximately 15 years in Retail Marketing. He has marketed big brands like Pan Parag India (Pan Parag Pan Masala) & Harsh International Industries and has a wide distribution network in south India especially in Trichy. His firm name is shanthi guru marketing, whose head office is in Trichy . He has great marketing skills. He has also taken distribution of Haldirams for south region, Haldirams is a snack food Conglomerate that manufacture more than 50 varieties of namkeens.

3.1.4. Mr. Shripal Sanghvi is holding a Permanent Account Number (PAN) ABGPS4424B.

3.1.5. The Networth of Mr. Shripal Sanghvi as on March 20, 2017 is Rs56,82,954/- and the same is certified by Mr. Sonal Jain, (Membership No. 225913), Proprietor of M/s. Sonal & Associates., Chartered Accountant (FRN: 013893S) having his office at No.91, Govindappa Naicken Street, 1st Floor, Chennai - 600 001, Tel. No. 8678905556; Email: sonalmjain29@gmail.com

3.1.6. Apart from the equity shares proposed to be acquired pursuant to the Share Purchase Agreement ("SPA") dated April 10, 2017Mr. Shripal Sanghvi presently does not hold any shares in the Target Company.

3.1.7. Mr. Shripal Sanghvi has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.

3.1.8. Mr. Shripal Sanghvi is not forming part of the present Promoter group of the Target Company. As on date of this LOF, there is/are no nominee(s) of the Acquirer on the Board of Directors of the Target Company.

3.1.9. Mr. Shripal Sanghvi neither holds directorship in any listed company nor is he a whole time Director in any Company.

3.1.10. Except the transaction contemplated in the Share Purchase Agreement ("SPA"), he does not have any other relationship/interest in the Target Company.

3.1.11. The entities promoted/controlled/managed by Acquirer 1 is as under:

| Sl. No. | Name of the Entities | Designation | % of total Equity Shares held/ Share of Partnership etc. |
|----------------|-----------------------------|--------------------|---|
| 1. | Shanti Guru Marketing | Proprietor | 100.00% |
| 2. | Jupiter Food Industries | Partner | 45.00% (Profit) and 57.00% (Loss) |
| 3. | Jupiter Metals | Partner | 34.00% |

3.1.12 There are no persons acting in concert in relation to the Offer within the meaning of 2(1)(q)(1) of SEBI (SAST) Regulations.

3.1.13 Acquirer is not in the list of willful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by Reserve Bank of India.

3.1.14 The Acquirer 1 undertakes that they will not sell the equity shares of the Target Company held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

3.2 Mrs. Sarika Sanghvi (Acquirer 2)

3.2.1 Mrs. Sarika Sanghvi, W/o, Mr. Shripal Sanghvi, aged about 41 years, presently residing at 14/2, Nadu Kallukara Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008 Tel. No. 0431- 2707469; Email: panpargindia@gmail.com.

3.2.2 Mrs. Sarika Sanghvi is Under Graduate.

3.2.3 Mrs. Sarika Sanghvi has no work experience. She is a Housewife.

3.2.4 She is holding a Permanent Account Number (PAN) AVCPS6060R.

3.2.5 The Networth of Mrs. Sarika Sanghvi as on March 20, 2017 is Rs 2,85,56,001/- and the same is certified by Mr. Sonal Jain, (Membership No. 225913), Proprietor of M/s. Sonal & Associates., Chartered Accountant (FRN: 013893S) having his office at No.91, Govindappa Naicken Street, 1st Floor, Chennai - 600 001, Tel. No. 8678905556 ; Email: sonalmjain29@gmail.com.

3.2.6 Mrs. Sarika Sanghvi has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.

3.2.7 Acquirer 2 neither holds directorship in any listed company nor is she a whole time Director in any Company.

3.2.8 Apart from SPA transaction, Mrs. Sarika Sanghvi is only holding 1,26,000 equity shares(1.02%) of the Target Company prior to the date of the Public Announcement.

3.2.9 Mrs. Sarika Sanghvi is not forming part of the present Promoter group of the Target Company. As on date of this LOF, there is/are no nominee(s) of the Acquirer on the Board of Directors of the Target Company.

3.2.10 Acquirer 2 is not in the list of willful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by Reserve Bank of India.

- 3.2.11 There are no persons acting in concert in relation to the Offer within the meaning of 2(1)q of SEBI (SAST) Regulations.
- 3.2.12 Acquirer 1 and Acquirer 2 are husband and wife.
- 3.2.13 The Acquirer 2 undertakes that they will not sell the equity shares of the Target Company held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

3.3 M/s. Shripal Sanghvi HUF (Acquirer 3)

- 3.3.1 M/s. Shripal Sanghvi HUF represented by its Karta Mr. Shripal Sanghvi aged about 43 years having PAN - ABGPS4424B under the Income Tax Act, 1961, residing at 14/2, Nadu Kallukara Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008 Tel. No. 0431- 2707469; Email: panpargindia@gmail.com.
- 3.3.2 M/s. Shripal Sanghvi HUF represented by its Karta Mr. Shripal Sanghvi, aged about 43 years. Shripal Sanghvi HUF has experience of approximately 15 years in Retail Marketing. They have marketed big brands like Pan Parag India (Pan Parag Pan Masala) & Harsh International Industries and has a wide distribution network in south India especially in Trichy.
- 3.3.3 M/s. Shripal Sanghvi HUF is holding a Permanent Account Number (PAN) AAQHS8163L.
- 3.3.4 The Net worth of. Shripal Sanghvi HUF as on March 20, 2017 is Rs1,97,25,034/- and the same is certified by Mr. Sonal Jain, (Membership No. 225913), Proprietor of M/s. Sonal & Associates., Chartered Accountant (FRN: 013893S) having his office at No.91, Govindappa Naicken Street, 1st Floor, Chennai - 600 001, Tel. No. 8678905556; Email: sonalmjain29@gmail.com.
- 3.3.5 Apart from the Share Purchase Agreement ("SPA") transaction dated April 10, 2017, M/s. Shripal Sanghvi HUF presently does not hold any shares in the Target Company.
- 3.3.6 M/s. Shripal Sanghvi HUF has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- 3.3.7 M/s. Shripal Sanghvi HUF does not belong to any group.
- 3.3.8 M/s. Shripal Sanghvi HUF is not forming part of the present Promoter group of the Target Company. As on date of this LOF, there is/are no nominee(s) of the Acquirer on the Board of Directors of the Target Company. As on the date of PA, except the transaction contemplated in the Share Purchase Agreement ("SPA"), Acquirer does not have any other relationship/interest in the Target Company.
- 3.3.9 Acquirer is not in the list of willful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by Reserve Bank of India.
- 3.3.10 There are no persons acting in concert in relation to the Offer within the meaning of 2(1)q(1) of SEBI (SAST) Regulations.
- 3.3.11 The Acquirer 3 undertakes that they will not sell the equity shares of the Target Company held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

3.4 M/s. Mahipal Sanghvi HUF (Acquirer 4)

- 3.4.1 M/s. Mahipal Sanghvi HUF represented by its Karta Mr. Mahipal Sanghvi aged about 40 years having PAN - AHYPM9805E under the Income Tax Act, 1961, residing at 108, Big Kamala Street, Tiruchirappalli, Tiruchirappalli Fort, Tamil Nadu- 620008; Tel. No. 9443160756; Email: mahipalsanghvi1979@gmail.com.
- 3.4.2 Mr. Mahipal Sanghvi., aged 40 years is the Karta of Mahipal Sanghvi HUF. It has experience of approximately 15 years in Retail Marketing. Mahipal Sanghvi HUF is engaged in the business of Retail Marketing and also engaged in the business of FMCG Products, especially grocery items.
- 3.4.3 M/s. Mahipal Sanghvi HUF is holding a Permanent Account Number (PAN) AANHM3271Q.
- 3.4.4 The Networth of Mahipal Sanghvi HUF as on March 20, 2017 is Rs. 80,33,864/- and the same is certified by Mr. Sonal Jain, (Membership No. 225913), Proprietor of M/s. Sonal & Associates., Chartered Accountant (FRN: 013893S) having his office at No.91, Govindappa Naicken Street, 1st Floor, Chennai - 600 001, Tel. No. 8678905556; Email: sonalmjain29@gmail.com.
- 3.4.5 Apart from the equity shares proposed to be acquired pursuant to the Share Purchase Agreement ("SPA") dated April 10, 2017 M/s. Mahipal Sanghvi HUF presently does not hold any shares in the Target Company.
- 3.4.6 M/s. Mahipal Sanghvi HUF has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- 3.4.7 Acquirer 4 does not belong to any group.
- 3.4.8 Acquirer 4 is not forming part of the present Promoter group of the Target Company. As on date of this LOF, there is/are no nominee(s) of the Acquirer on the Board of Directors of the Target Company.
- 3.4.9 Acquirer 4 is not in the list of willful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by Reserve Bank of India.

3.4.10 As on the date of PA, except the transaction contemplated in the Share Purchase Agreement ("SPA"), Acquirer does not have any other relationship/interest in the Target Company.

3.4.11 There are no persons acting in concert in relation to the Offer within the meaning of 2(1)(q)(1) of SEBI (SAST) Regulations.

3.4.12 The Acquirer 4 undertakes that they will not sell the equity shares of the Target Company held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

4. BACKGROUND OF RCL RETAIL LIMITED ("RCL" 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)

4.1 RCL Retail Limited (RCL) was incorporated as a Private Limited Company under the provisions of the Companies Act, 1956 on September 29, 2010 in the State of Tamil Nadu. Subsequently, the company was converted into Public Company and the name of the Company changed to "RCL Retail Limited" pursuant to issuance of Fresh Certificate of Incorporation Consequent upon Change of Name dated April 05, 2011. The CIN of RCL is L52330TN2010PLC077507. The registered office of the Target Company is presently situated at 9 Ground Floor, Door No. 55, Hunters Road, Vepery, Chennai – 600007, Phone No.: +91-44-4850 8023/ 24 , Email Id: rclretaillimited@gmail.com, website: <http://www.rclretail.in>

4.2 The Share Capital structure of the Target Company as on the date of Letter of Offer is as follows:

| Paid up Equity Shares of Target Company | No. of Shares / Voting Rights |
|--|---|
| Authorized Equity Shares | 1,30,00,000 Equity Shares of Rs.10.00 each |
| Fully Paid-up Equity Shares | 1,23,10,000 |
| Partly Paid-up Equity Shares | Nil |
| Total Paid-up Equity Shares | 1,23,10,000 Equity Shares of Rs.10.00 each |
| Total voting rights in the Target Company | 1,23,10,000 Equity Shares of Rs.10.00 each |

4.3 The Main objects of the company are that of carrying on Exclusive Retail Outlets of Agro Based Food Products, and Fast Moving Consumer Goods (FMCG). The current line of business of the Company are trading of food products and processed foods, Bakery Products like Khari, Cookies, Dry Chappati (Khakra), Namkeen, Variety of Mouth Fresheners, Dry Amla, Suparies, Mango candy, ready to eat foods, and other consumable products. RCL Retail Limited is trying to be more competitive in order to increase the turnover and make profits and is taking earnest efforts for expansion of business and establishing various outlets.

4.4 The entries equity shares of the Target Company are listed at SME Platform of BSE Limited. The shares are placed under Group 'M' having a Scrip Code of "534708" & Scrip ID: RCRL on the BSE.

4.5 As on the date of this LOF, the Board of Directors of RCL is as follows:

| Names of Directors | DIN | Designation | Date of Appointment |
|----------------------------------|------------|--------------------|----------------------------|
| Mr. Nitesh Ratanchand Lodha | 01748000 | Director | 29/09/2010 |
| Mr. Suresh Jain Rikhab Chand | 02819801 | Director | 27/01/2014 |
| Mr. Gumanmal Vimal Chand Chordia | 03446848 | Director | 08/04/2011 |
| Mr. Sganpath Raj Kothari | 06611148 | Director | 27/02/2014 |
| Mr. Kamalesh Kumar | 06787616 | Director | 27/01/2014 |
| Ms. Kushbu | 07141954 | Director | 30/03/2015 |

Note: As on the date of the LOF, there are no persons on the Board of Directors of the Target Company, representing the Acquirers.

4.6 There has been no merger / demerger or spin off involving RCL during the last 3 years.

4.7 The Target Company has no subsidiary.

4.8 The Target Company has 2 Associate Companies namely:

- i) RCL Foods Limited
- ii) RCL Enterprises Private Limited

4.9 Financial Information:

The financial details of RCL as per the audited accounts for the last three financial years ended March 31, 2014; March 31, 2015 and March 31, 2016 and unaudited & certified for the nine(9) months period ended December 31, 2016 are as follows:

Profit & Loss Statement
(Rs. in Lakh)

| Particulars | 31-Mar-14 | 31-Mar-15 | 31-Mar-16 | 31-Dec-16 |
|--|----------------|---------------|---------------|-------------------------|
| | (Audited) | (Audited) | (Audited) | (Certified & Unaudited) |
| Income from Operations | 980.82 | 105.67 | 265.31 | 1100.66 |
| Other Income | 70.76 | 83.09 | 0.18 | 23.45 |
| Increase / (Decrease) in Stock | (735.10) | (0.33) | 35.42 | (22.46) |
| Total Income | 316.48 | 188.43 | 300.91 | 1101.65 |
| Total Expenditure | 317.73 | 144.85 | 258.73 | 1068.38 |
| Profit/ (Loss) before Interest, Depreciation and Tax | (1.25) | 43.58 | 42.18 | 33.27 |
| Depreciation | 4.96 | 8.94 | 6.91 | 0.00 |
| Interest | 31.11 | 33.95 | 31.11 | 0.00 |
| Profit/ (Loss) Before Tax | (37.32) | 0.69 | 4.16 | 33.27 |
| Current Tax | 8.75 | 1.52 | 8.39 | 0.00 |
| Tax of Earlier Years | 0.00 | 0.00 | 4.08 | 0.00 |
| Deferred Tax | (0.44) | (1.44) | (2.31) | 0.00 |
| Profit/ (Loss) After tax | (45.63) | 0.61 | (6.00) | 33.27 |

Balance Sheet
(Rs. in Lakh)

| Particulars | 31-Mar-14 | 31-Mar-15 | 31-Mar-16 | 31-Dec-16 |
|--|----------------|----------------|----------------|-------------------------|
| | (Audited) | (Audited) | (Audited) | (Certified & Unaudited) |
| (A) Sources of funds | | | | |
| Paid up share capital | 1231.00 | 1231.00 | 1231.00 | 1231.00 |
| Reserves & Surplus (excluding revaluation reserves) | (19.23) | (18.62) | (24.62) | (24.62) |
| Less: Miscellaneous Expenditure not written off | 10.26 | 4.08 | 0.00 | 0.00 |
| Net Worth | 1201.51 | 1208.30 | 1206.38 | 1206.38 |
| Secured loans | 202.49 | 202.37 | 200.22 | 198.20 |
| Unsecured loans | 13.50 | 28.98 | 43.69 | 284.00 |
| Total (A) | 1417.50 | 1439.65 | 1450.29 | 1688.58 |
| (B) Uses of funds | | | | |
| Net Fixed Assets | 166.11 | 165.95 | 159.05 | 159.04 |
| Investments | 56.95 | 0.93 | 225.93 | 204.42 |
| Net Current Assets | 1194.44 | 1272.77 | 1065.31 | 1325.12 |
| Total (B) | 1417.50 | 1439.65 | 1450.29 | 1688.58 |

Other Financial Data

| For the Year Ended | 31-Mar-14 | 31-Mar-15 | 31-Mar-16 | 31-Dec-16 |
|----------------------------|-----------|-----------|-----------|-------------------------|
| | (Audited) | (Audited) | (Audited) | (Certified & Unaudited) |
| Dividend (%) | 0.00 | 0.00 | 0.00 | 0.00 |
| Earning Per Share (Rs.) | (0.37) | 0.00 | (0.05) | 0.27 |
| Return on Net worth (%) | (0.04) | 0.00 | (0.00) | 0.03 |
| Book Value Per Share (Rs.) | 9.76 | 9.82 | 9.80 | 9.80 |

** Non annualised*
Note:

- (i) EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period.
- (ii) Return on Net Worth = Profit after Tax / Net Worth
- (iii) Book Value per Share = Net Worth / No. of equity shares
- (iv) Source: Audited Annual Reports/ Audited Financial Statements

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

| Shareholders' Category | Shareholding/voting rights prior to the SPA/ acquisition 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 Acquisition and Offer (A+B+C) | |
|--|--|---------------|--|----------------|---|----------------|---|---------------|
| | (A) | | (B) | | (C) | | (D) | |
| | No. of shares | % | No. of shares | % | No. of shares | % | No. of shares | % |
| 1. Promoter Group: | | | | | | | | |
| (a) Parties to Agreement: - LathaKumari - Chandra Kala - SanthoesKumari - V. Vishal - S. Hitesh - Nikita - R Vinodh Kumar - G Rikhab Chand - R Suresh Kumar - P. Vikash - R Prakash Chand - P. Kamlesh | 29,35,000 | 23.84 | (29,35,000) | (23.84) | - | - | - | - |
| (b) Promoters other than (a) above | 75,000 | 0.61 | - | - | - | - | 75,000 | 0.61 |
| TOTAL 1 (a+b) | 30,10,000 | 25.04 | (29,35,000) | (23.84) | - | - | 75,000 | 0.61 |
| 2. Acquirers: | | | | | | | | |
| Shripal Sanghvi | - | - | 9,70,000 | 7.88 | 32,00,600 | 26.00 | 62,61,600 | 50.87 |
| Sarika Sanghvi | 1,26,000 | 1.02 | 9,42,500 | 7.66 | | | | |
| Shripal Sanghvi HUF | | | 5,10,000 | 4.14 | | | | |
| Mahipal Sanghvi HUF | | | 512,500 | 4.16 | | | | |
| TOTAL 2 | 1,26,000 | 1.02 | 29,35,000 | 23.84 | 32,00,600 | 26.00 | 62,61,600 | 50.87 |
| a. Total No. of Shareholders in Public Category, i.e. 284 | | | | | | | | |
| 1. Parties to Agreement other than 1(a) & 2 | - | - | - | - | - | - | - | - |
| 2. Public (other than Parties to Agreement and Acquirers) | - | - | - | - | - | - | - | - |
| 3. FIs/MFs/FIIs/Banks/S FIs(Indicate names) | - | - | - | - | - | - | - | - |
| b. Others: | | | | | | | | |
| i)Body Corporate & Others | 22,39,073 | 18.19 | - | - | (32,00,600) | (26.00) | 59,73,400 | 48.52 |
| ii)Individual shareholders holding nominal share capital up to Rs. 2 lakh | 6,42,875 | 5.22 | | | | | | |
| iii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh | 62,92,052 | 51.11 | | | | | | |
| Total (4) (a+b) | 91,74,000 | 74.52 | - | - | (32,00,600) | (26.00) | 59,73,400 | 48.52 |
| GRANDTOTAL (1+2+3+4) | 1,23,10,000 | 100.00 | - | - | - | - | 1,23,10,000 | 100.00 |

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS:

5.1 Justification of Offer Price:

5.1.1 The Equity Shares of the Target Company are listed at the SME Platform of BSE Limited (BSE) only. The shares are placed under Group 'M' having a scrip code of "534708" & Scrip Id: RCRL on the BSE.

5.1.2 The total trading turnover in the Equity Shares of the Target Company on the stock exchanges based on trading volume during the twelve calendar months prior to the month of PA (April 1, 2016 to March 31, 2017) is as given below:

| Stock Exchange | Total No. of Equity Shares traded during the Twelve calendar months prior to the month of PA | Total No. of listed equity shares of the Target Company | Total Trading Turnover (as % of total equity shares Listed) |
|----------------|--|---|---|
| BSE - SME | 1,56,000 | 1,23,10,000 | 1.27% |

5.1.3 Based on the above information, equity Shares of RCL are not frequently traded shares within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.

5.1.4 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 Rs. per share) |
|---------|---|--------------------------|
| 1. | Negotiated Price under the SPA | Rs. 10/- |
| 2. | The Volume- Weighted Average Price paid or payable for acquisitions by the Acquirers during 52 weeks immediately preceding the date of PA | Not Applicable |
| 3. | Highest price paid or payable for acquisitions by the Acquirers during 26 weeks immediately preceding the date of PA | Not Applicable |
| 4. | The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period | Not Applicable |
| 5. | Other Financial Parameters as at 31 st March 2016: | |
| | (a) NAV per Equity share | 9.80 |
| | (b) Price Earning Capacity Value per Equity Share | (0.69) |
| | (c) Market Based Value | 8.81 |

Mr. Nipun D. Mehta, Proprietor of M/s. NDM Associates. Chartered Accountants, (Membership No. 027324, Firm Reg. No. 002247S) having its office at 311, "City Centre", #186, Purasawalkam High Road, Chennai – 600010, Tamil Nadu, Tele: 044 – 2532 5710, 2648 1387, E-mail: nukaassociates@gmail.com vide certificate dated April 10, 2017 has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the fair value of the equity shares of Target Company is Rs. 5.81 per share

In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 10/- per equity share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

5.1.5 The relevant price parameters have not been adjusted for any corporate actions.

5.1.6 As on date of this LOF, 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.

5.1.7 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 three (3) working days before the date of commencement of the tendering period and would be notified to shareholders.

5.1.8 If the Acquirers 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 Acquirers shall (i) make public announcement in the same newspapers in which this DPS has been published; and (ii) simultaneously notify to SEBI, BSE, and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the Regulations.

5.1.9 If the Acquirers acquire Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, the Acquirers 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 days from the date of such acquisition. However, no such difference shall be paid in the vent that such acquisition is made under another Open Offer under Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

6. Financial Arrangements:

6.1.1 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. Mr. Sonal Jain, Proprietor of M/s. Sonal & Associates., Chartered Accountants, (Membership No. 225913, Firm Reg. No. 013893S, having its office at 91, Govindappa Naicken Street, 1st Floor, Chennai – 600001, Tamil Nadu, Tel. No. 8678905556, E-mail: : sonalmjain29@gmail.comvide certificate dated April 10, 2017 that sufficient resources are available with Acquirers for fulfilling the obligations under this Offer in full.

6.1.2 The maximum consideration payable by the Acquirers to acquire 32,00,600 fully paid-up equity shares at the Offer Price of Rs.10/- (Rupees Ten Only) per equity share, assuming full acceptance of the Offer would be Rs. 3,20,06,000/- (Rupees Three Crore Twenty Lakh Six Thousand Only). In accordance with proviso clause to regulation 24(1) read with regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account under the name and style of "RCL- Open Offer Escrow Account" with HDFC Bank Limited, Fort, Mumbai Branch ("Escrow Banker") and made therein a cash deposit of Rs. 80,10,000/- (Rupees Eighty Lakh One Thousand Five Hundred Only) being 25% of the total consideration payable in the Open Offer, assuming full acceptance.

- 6.1.3 The Manager to the Offer is authorized to operate the above mentioned 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.
- 6.1.4 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.
- 6.1.5 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.
- 6.1.6 In case of upward revision of the Offer Price and/or the Offer Size, the Acquirers shall deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the Regulations, prior to effecting such revision.

7. TERMS AND CONDITIONS OF THE OFFER:

- 7.1 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of RCL (except the Acquirers and the parties to the SPA) whose name appear on the Register of Members and to the beneficial owners of the shares of the RCL whose names appear on the beneficial records of the Depository Participant, at the close of business hours on June 02, 2017 ("**Identified Date**").
- 7.2 All owners of the shares, Registered or Unregistered (except the Acquirers and the parties to the SPA) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer as per the procedure set out in Para 7 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.
- 7.3 Accidental omission to dispatch this LOF or the non-receipt or delayed receipt of this LOF will not invalidate the Offer in anyway.
- 7.4 Subject to the conditions governing this Offer, as mentioned in the LOF, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

7.5 Locked-in Shares:

There are no locked-in shares in RCL.

7.6 Eligibility for accepting the Offer:

- 7.6.1 The Letter of Offer shall be mailed to all Equity Shareholders/Beneficial Owners holding Equity Shares in dematerialized form (except the present promoter group shareholders and Acquirers) whose names appear in register of Target Company as on June 02, 2017, the Identified Date.
- 7.6.2 This Offer is also open to persons who own Equity Shares in Target Company but are not registered Shareholders as on the Identified date.
- 7.6.3 All Equity Shareholders/Beneficial Owners (except the present promoter group, Shareholders, and the Acquirers) who own Equity Shares of Target Company any time before the closure of the Offer are eligible to participate in the Offer.
- 7.6.4 The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, Cameo Corporate Services Pvt Ltd, 1"Subramanian Building" #1, Club House Road, Chennai – 600002, Tamil Nadu, India; Tel No.: (044) 2846 0390; Fax No.: (044) 2846 0129, E-mail-Id: cameo@cameoindia.com. The Contact Person is Ms. Sreepriya K. 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.
- 7.6.5 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.
- 7.6.6 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.
- 7.6.7 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.
- 7.6.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s)/beneficial owner(s) of Target Company.
- 7.6.9 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.
- 7.6.10 The acceptance of Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager to the Offer.

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

7.7 Statutory Approvals and conditions of the Offer:

7.7.1 As of the date of this LOF, to the best of knowledge and belief of the Acquirers, there are no statutory approvals and/or consent required to acquire the equity shares tendered pursuant to this Offer. However, if any other statutory approvals are required or become applicable prior to completion of this Offer; this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.

7.7.2 The Acquirers, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS has appeared.

7.7.3 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.

7.7.4 No approval is required from any bank or financial institutions for this Offer to the best of the knowledge of the Acquirers.

7.7.5 The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER:

8.1 The Open Offer shall be implemented by using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09,2016.

8.2 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**").

8.3 For implementation of the Open Offer, the Acquirers have appointed Guiness Securities 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 | GUINNESS SECURITIES LIMITED |
| Address | Room No. 216, 2nd Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001. |
| Contact No. | +91 - 22 - 2272 1120 |
| Email Id | info@guinnessgroup.net |
| Contact Person | Mr. Babulal Nolkha |

8.4 All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), during the normal trading hours of the secondary market during the Tendering Period.

8.5 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.

8.6 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.

8.7 Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant).

8.7.1 For Equity Shares held in physical form:

1. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Broker and submit complete set of documents for verification procedure as mentioned below:

- i. The Form of Acceptance-cum-Acknowledgement duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
- ii. Original share certificates;
- iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirers);
- iv. Self-attested copy of the Shareholder's PAN Card;

- v. Any other relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the Equity Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
 - Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorisation, such as Board Resolutions etc., in case of companies.
- vi. Self-attested copy of address proof such as valid Adhaar Card, Voter ID, Passport or Driving License.

2. The Selling Broker shall place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
3. After placement of order, as mentioned above, the Seller Broker/shareholder shall deliver the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents either by registered post or courier or hand delivery to the Registrar to the Offer not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as "RCL Retail Limited – Open Offer".
4. Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA the bid will be accepted else rejected and accordingly the same will be displayed on BSE's Website.
5. In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closing Date.
6. Modification / Cancellation of orders will not be allowed during the period the Offer is open.

8.7.2 For equity shares held in Demat Form:

- i. The Equity Shareholders who are holding the Equity Shares in demat form and who 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.
- ii. 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.
- iii. 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.
- iv. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation, before the opening of the Offer.
- v. Upon placing the bid, the seller member(s) shall provide Transaction Registration slip ("TRS") generated by the Exchange Bidding System to the shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Shares tendered etc.
- vi. 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.

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

9. ACCEPTANCE OF SHARES

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

In the event that the number of Equity Shares (including Demat Shares 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.

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

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.

A 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.

The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company. Public Shareholders holding Equity Shares in physical mode will be sent Form of Acceptance along with the Letter of Offer. In case of non-receipt of

the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company.

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. SETTLEMENT PROCESS

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.

The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.

The direct credit of shares shall be given to the demat accounts of the Acquirers indicated by the Acquirers' Buying Broker. For the same, the existing facility of client direct payout in the capital market segment shall be available.

Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the Buying Broker's pool account.

In case of partial or non-acceptance of orders or excess pay-in, Demat Shares shall be released to the securities pool account of the Selling Broker(s) / Custodian, post which, the Seller Broker(s) would then issue contract note for the shares accepted and return the balance shares to the Shareholders.

Any excess Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholder(s) directly by Registrar to the Offer.

12. SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION

For Equity Shareholders holding Equity Shares in demat and physical mode:

The settlements of fund obligation for demat and physical shares shall be effected by clearing corporation. For the equity shares accepted under the open offer, the payment will be made by the Clearing Corporation to the shareholders directly to their bank account.

The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Public Shareholder will receive funds payout in their settlement bank account.

The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder.

Shareholders who intend to participate in the Offer should consult their respective Seller Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Broker upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

13. NOTE ON TAXATION

Capital gain

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

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

Tax deduction at source

- a) In case of resident Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") Acquirers shall not deduct tax on the consideration payable to resident Shareholders pursuant to the Offer.
- b) In the case of non-resident Shareholders, since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident Shareholder. It is therefore recommended that the non-resident Shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

Interest payment, if any: In case of interest payments by Acquirers for delay in payment of Offer consideration or a part thereof, Acquirers will deduct taxes at source at the applicable rates as per the Income Tax Act.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

14. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. Gretex Corporate Services Private Limited at Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Masion, 9-15, Homi Modi Street, Mumbai – 400023 on any working day between 10.00 a.m. and 2.00 p.m. during the period the Offer is open i.e., from June 05, 2017 to June 16, 2017.

- i) Memorandum & Articles of Association of RCL along with the Certificate of Incorporation.
- ii) Audited Annual Reports for the financial year ended last three financial years ended, March 31, 2014, March 31, 2015 and March 31, 2016 and Unaudited and Certified Accounts for the nine months period ended December 31, 2016 of RCL Retail Limited.
- iii) Balance Sheet for the financial year ended March 31, 2014, March 31, 2015 and March 31, 2016 of Mr. Shripal Sanghvi, Mr. Sarika Sanghvi, M/s. Shripal Sanghvi HUF and M/s. Mahipal Sanghvi HUF.
- iv) Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer, dated April 10, 2017.
- v) Escrow Agreement between Acquirers, HDFC Bank Ltd and Manager to the Offer.
- vi) Copy of the letter received from HDFC Bank Limited confirming the required amount kept in the escrow account and marked lien in favour of Manager to Offer.
- vii) The copy of Share Purchase Agreement dated April 10, 2017 between the Sellers and the Acquirers, which triggered the Open Offer.
- viii) Certificate dated April 10, 2017 from Mr. Sonal Jain proprietor of M/s. Sonal & Associates, Chartered Accountants, (Membership No. 225913, Firm Reg. No. 013893S) having its office at 91, Govindappa Naicken Street, 1st Floor, Chennai – 600001, Tamil Nadu, Tele: 86789 05556, E-mail: sonalmjain29@gmail.com 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.
- ix) Certificate dated April 10, 2017 from Mr. Nipun D. Mehta, Proprietor of M/s. NDM Associates. Chartered Accountants, (Membership No. 027324, Firm Reg. No. 002247S) having its office at 311, "City Centre", #186, Purasawalkam High Road, Chennai – 600010, Tamil Nadu, Tele: 044 – 2532 5710, 2648 1387, E-mail: nukaassociates@gmail.com relating to the fair value of the equity shares of the Target Company.
- x) Copy of the recommendations made by the Committee of Independent Directors of the Target Company.
- xi) Copy of the Public Announcement dated April 10, 2017 and published copy of the Detailed Public Statement dated April 18, 2017.
- xii) Copy of SEBI Observation letter no. CFD/DCR/SKS/2494/2017 dated May 31, 2017.

15. DECLARATION BY THEACQUIRERS:

For the purpose of disclosures in this 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 Acquirers, jointly and severally, accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirers as laid down in the Takeover Regulations. The Acquirers shall be jointly and severally responsible for ensuring compliance with the Takeover Regulations.

ON BEHALF OF THE ACQUIRERS:

SHRIPAL SANGHVI

Place: Tiruchirappalli
Date: June 06, 2017

Attached: Form of Acceptance cum Acknowledgement

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,
Cameo Corporate Services Limited
 Subramanian Building",
 #1, Club House Road,
 Chennai - 600 002

Date:

| OFFER | |
|-----------|-----------------------|
| Opens on | June 16, 2017, FRIDAY |
| Closes on | June 30, 2017, FRIDAY |

Dear Sir,

Subject: Open Offer by Mr. Shripal Sanghvi, Mrs. Sarika Sanghvi, M/s. Shripal Sanghvi HUF and M/s. Mahipal Sanghvi HUF ("Acquirers") to the shareholders of RCL Retail Limited ("Target Company" or "RCL") to acquire from them upto32,00,600 equity shares of Rs. 10/- each representing 26% of the equity and voting share capital of RCL @ Rs. 10/-per fully paid-up equity share.

I/We refer to the Letter of Offer dated June 06, 2017 for acquiring the equity shares held by us in RCL Retail Limited.

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

FOR EQUITY SHARES HELD IN PHYSICAL FORM

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

| Sr. No. | Ledger Folio No. | Certificate No(s). | Distinctive No(s). | No. of shares |
|--------------------------------------|------------------|--------------------|--------------------|---------------|
| | | | From | To |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total number of equity shares | | | | |

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers gives the purchase consideration as mentioned in the Letter of Offer.

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

FOR EQUITY SHARES IN DEMATERIALISED FORM

I/We holding the shares in the dematerialized form accept the offer and enclose the photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by the Depository Participants "DP" in respect of my/our shares as detailed below:

| DP Name | DP ID | Client ID | ISIN NO. | Beneficiary Name | No. of Shares |
|-------------------------------|-------|-----------|----------|------------------|---------------|
| | | | | | |
| Total number of shares | | | | | |

I/We have done an off market transaction for crediting the Shares to the Special Depository Account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP.

I/We note and understand that the Shares would reside in the Special Depository Account opened for the purpose of this Offer until the time the Acquirers accepts the Shares and makes the payment of purchase consideration as mentioned in the LOF.

I/We confirm that the equity shares of RCL Retail Limited, which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.

I/We authorise the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post as may be applicable at my/our risk, the draft /cheque/ warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

I/We authorize the Acquirers to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirers to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirers are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,
Signed and Delivered

| | Full Names (s) of the holders | Address& Telephone No. | Signature |
|-------------------|-------------------------------|------------------------|-----------|
| First/Sole Holder | | | |
| Joint Holder 1 | | | |
| Joint Holder 2 | | | |
| Joint Holder 3 | | | |

Note: In case of joint holdings all must sign. Enclose duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s). A corporation must affix its common seal and enclose necessary certified corporate authorizations. Non-resident shareholders with repatriable benefits must enclose appropriate documentation.

Place:

Date:

Bank Details

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS the shareholder(s) may, at their option, provide details of bank account of the first / sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

I / We permit the Acquirers or the Manager to the Offer to make the payment of Consideration through Electronic Clearance Service (ECS) of the Reserve Bank of India based on the Bank Account Details provided below and a photo copy of cheque is enclosed.

Savings/Current/(Others; please specify) : _____

Name of the Bank Branch: _____

Account Number: _____ IFSC Code of Bank _____

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

| | 1 st Shareholder | 2 nd Shareholder | 3 rd Shareholder |
|---------|-----------------------------|-----------------------------|-----------------------------|
| PAN No. | | | |

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

Acknowledgement slip

Ledger Folio No. _____ DP ID _____ Client ID _____ Received from _____ an application for sale of _____ Equity Share(s) of RCL Retail Limited together with _____ share certificate(s) bearing Certificate Numbers _____ and _____ transfer deed(s)/ photocopy of "Off-market" delivery instruction duly acknowledged by the DP.

Note: All future correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned above.

Date of receipt

Signature of the official

INSTRUCTIONS

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