

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 **Sharad Fibres & Yarn Processors Limited**. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager or Registrar to the Offer. In case you have recently sold your shares in Sharad Fibres & Yarn Processors Limited, please hand over Letter of Offer and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of the Stock Exchange through whom the said sale was affected.

OPEN OFFER ("OFFER") BY

ECO HOTELS UK PLC

A Public Limited Company incorporated under the Laws of United Kingdom

Regd. Office - 16, Berkeley Street, Mayfair, London, W1J 8DZ

Company Registration number: 6584439; Tel - + 44 20 7183 3710

(Hereinafter referred to as the "Acquirer")

ALONGWITH

RED RIBBON ASSET MANAGEMENT PLC

A Public Limited Company incorporated under the Laws of United Kingdom

Regd. Office - 16, Berkeley Street, Mayfair, London, W1J 8DZ

Company Registration number: 06228303; Tel - + 44 20 7183 3710

(Hereinafter referred to as the "Person Acting in Concert/PAC")

TO THE SHAREHOLDERS OF

SHARAD FIBRES & YARN PROCESSORS LIMITED ("SHARDFI" / "TARGET COMPANY")

Corporate Identification No.: L17110MH1987PLC043970

Registered Office: 19, 3rd Floor, Prabhadevi Industrial Estate, 408 Veer Savarkar Marg, Prabhadevi, Mumbai, Maharashtra, India – 400025

Contact No.: +91 22 6634 9000 Fax: 2207 2504 / 4002 7257

Email Id: jyoti@dalmiapolyp.com ; Website: www.sharadfibres.in

For the acquisition of 11,35,264 (Eleven Lakhs Thirty-Five Thousand Two Hundred and Sixty-Four) Equity Shares of face value of Rs. 10/- (Rupees Ten Only), representing 26.00% of the Total Equity and Voting Share Capital of the Target Company, at a price of Rs. 5.19/- (Rupees Five and Nineteen Paise Only) (the "Offer Price") payable in Cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time ("SEBI (SAST) Regulations").

Please Note:

- 1) This Offer is being made by the Acquirer and the PAC pursuant to Regulations 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) To the best of the knowledge of the Acquirer and the PAC, there are no statutory or governmental approvals required for the consummation of the Open 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 Open Offer shall be subject to such Statutory Approvals and the Acquirer shall make the necessary applications for such statutory approvals and the Open Offer would also be subject to such other statutory or other governmental approval(s). The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.
- 3) This Offer is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations.
- 4) The Shareholders who have tendered shares in acceptance of the Open 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.
- 5) Upward revision if any in the Offer Price and / or Size by the Acquirers at any time prior to the commencement of the last one working day before the commencement of the tendering period i.e. up to Tuesday, October 11, 2022 or in the case of withdrawal of offer, the same would be informed by way of the Public Announcement in the same newspapers in which the original Detailed Public Statement in relation to this Offer had appeared. Such revision in the Offer Price would be payable for all the shares validly tendered anytime during the period that the offer is open and accepted under the Offer.
- 6) **There is no competing offer as on the date of this Letter of Offer.**
- 7) If there are competing offer at any time hereafter, the offers under all subsisting bids will open and close on the same date.
- 8) A copy of Public Announcement, Detailed Public Statement, Draft Letter of Offer and Letter of Offer is also available on SEBI's website: www.sebi.gov.in
- 9) The transactions, being undertaken in this takeover, are as per the Articles of Association of the Target Company (TC).

| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|---|--|
|  Gretex Corporate Services Limited (CIN No.: L74999MH2008PLC288128) Office No. 13, 1 st Floor, Bansilal Mansion, 9-15 Homi Modi Street, Fort, Mumbai, Maharashtra, India – 400 001. Tel. No.: +91 96532 49863; Email: info@gretexgroup.com ; Website: www.gretexcorporate.com ; Contact Person: Mr. Alok Harlalka SEBI Registration No.: INM000012177 SEBI Registration Validity: Perpetual |  Bigshare Services Private Limited (CIN.: U99999MH1994PTC076534) S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India Tel.: +91 22 6263 8200 Email: openoffer@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Jibu John SEBI Registration No.: INR000001385 SEBI Registration Validity: Perpetual |
| OFFER OPENS ON: OCTOBER 13, 2022 | OFFER CLOSES ON: OCTOBER 28, 2022 |

SCHEDULE OF MAJOR ACTIVITIES

| Major Activities | Original Schedule of Activities (Day and Date)# (As disclosed in the DLoF) | Revised Schedule of Activities (Day and Date) |
|--|--|---|
| Public Announcement | Thursday, July 21, 2022 | Thursday, July 21, 2022 |
| Publication of Detail Public Statement | Thursday, July 28, 2022 | Thursday, July 28, 2022 |
| Last Date of Filing of Draft Letter of Offer with SEBI | Thursday, August 04, 2022 | Thursday, August 04, 2022 |
| Last Date for a Competing Offer | Friday, August 23, 2022 | Friday, August 23, 2022@ |
| Receipt of Comments from SEBI on Draft Letter of Offer | Friday, August 30, 2022 | Monday, September 26, 2022** |
| Identified Date* | Friday, September 02, 2022 | Friday, September 28, 2022 |
| Date by which Letter of Offer will be despatched to the Shareholders | Friday, September 09, 2022 | Thursday, October 06, 2022 |
| Last date by which a Committee of Independent Directors constituted by the BODs of the Target Company shall give its recommendations | Wednesday, September 14, 2022 | Monday, October 10, 2022 |
| Last day of Revision of Offer Price / Share | Wednesday, September 14, 2022 | Tuesday, October 11, 2022 |
| Issue of advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers | Thursday, September 15, 2022 | Tuesday, October 11, 2022 |
| Date of Opening of the Offer | Friday, September 16, 2022 | Thursday, October 13, 2022 |
| Date of Closing of the Offer | Thursday, September 29, 2022 | Friday, October 28, 2022 |
| Date of communicating the rejection / acceptance and payment of consideration for the acquired share | Friday, October 14, 2022 | Monday, November 14, 2022 |

The original schedule of activities was indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and were subject to receipt of relevant approvals from various statutory/regulatory authorities.

@ There has been no competing 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 owner (registered or unregistered) of Equity Shares of the Target Company (except Acquirers and Sellers of the Target Company) are eligible to participate in the offer any time before the closure of the Offer.

** Actual date of receipt of SEBI comments.

RISK FACTORS

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

1) Relating to transaction

- a) Pursuant to the acquisition of Sale Shares, the Acquirers/PAC (i) will appoint its Directors on the Board of Directors of the Target Company; (ii) shall acquire control of the Target Company and (iii) the existing members may resign from the Board of Directors of the Target Company, which will result in a Change in Ownership, Control and Management of the Target Company, which may have a significant effect on the business, financial condition and the results of operations of the Target Company.
- b) In accordance with the SPA, the acquisition of the Sale Shares shall be completed upon the fulfillment of conditions agreed between the Acquirers and the Sellers. In terms of and in accordance with Regulation 23(1) of the SEBI (SAST) Regulations.

2) Relating to the Offer

- a) To the best of the knowledge of the Acquirers and the PAC, no statutory approvals are required. Further, as on date of this LoF, there are no directions subsisting or proceedings pending against the Acquirers / PACs / Target Company / Manager to the Offer under SEBI Act, 1992 and regulations made there under. There is no action taken by any other regulator and there is no statutory approval pending from any other authority. However, in case any other statutory approvals are required by the Acquirers/PAC at a later date, this Offer shall be subject to such approvals. While the Acquirers/PAC shall make the necessary applications for such approvals, in case of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST)

Regulations, SEBI may, if satisfied that non-receipt of such approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirers/PAC agreeing to pay interest to the Public Shareholders for delay beyond 10 (Ten) Working Days from the date of closure of the Tendering Period, at such rate as may be specified by SEBI. Accordingly, in case of delay in receipt of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose shares are validly accepted in this Offer, as well as the return of shares not validly accepted in this Offer, may be delayed. Where the statutory approvals extend to some but not all the Public Shareholders, the Acquirers will have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirers will also have the right, under Regulation 23(1) of the SEBI (SAST) Regulations to withdraw this Offer in the event any statutory approval or other conditions precedent below, as may be required, are not granted or satisfied.

- b) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- c) Shareholders should note that the Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the tendering period even if the acceptance of Equity Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held in trust by the Registrar to the Offer / Custodian to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed. During such period, there may be fluctuations in the market price of the Equity Shares and the Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer / Custodian to the Offer, thereby restricting the ability of such Public Shareholders to take advantage of any favorable price movements.
- d) The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

3) Relating to Acquirer and PAC

- a) The Acquirer and PAC make no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- b) The Acquirer and PAC make no assurance with respect to its investment decisions relating to its proposed shareholding in the Target Company.
- c) The Acquirer and PAC do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
- d) The Acquirer, PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement (PA) / Detailed Public Statement (DPS) / Draft Letter of Offer (DLoF) and Letter of Offer (LoF) and anyone placing reliance on any other sources of information (not released by the Acquires) would be doing so at his / her / its own risk.

4) Relating to the Target Company:

- a) There have been no penal actions initiated against the Company. Further, there has been no non-compliance with the listing requirements except the following:
 - Few delays in filing with Stock Exchanges
 - Non-Filing of Statement of Investor Complaints for Quarter ended March, 2020.

The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for further risks with respect to each such Shareholder's participation in the Offer and related sale and transfer of Equity Shares of the Target Company to the Acquirers.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "Rs." are to the reference of Indian National Rupees ("INR") and all references to "£" are to the reference of "Pound Sterling". Throughout this Letter of Offer, all figures have been expressed in "actual figures" unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

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1. ABBREVIATIONS / DEFINITIONS

The following abbreviations / definitions apply throughout this document, unless the context requires otherwise:

| Term / Abbreviation | Description |
|--|--|
| Acquirer | Eco Hotels UK PLC |
| PAC / Person Acting in Concert | Red Ribbon Asset Management PLC |
| Board / Board of Directors | The Board of Directors of the Target Company. |
| BSE | BSE Limited, Mumbai |
| Buying Broker | Stock broker appointed by Acquirers for the purpose of this Open Offer i.e., Nikunj Stock Brokers Limited |
| CDSL | Central Depository Services (India) Limited |
| Companies Act | The Companies Act, 1956 / The Companies Act, 2013, as amended and as applicable |
| DLoF / DLOO | Draft Letter of Offer |
| DP | Depository Participant |
| DPS / Detailed Public Statement | Detailed Public Statement which appeared in the newspaper on July 28, 2022 issued by the Manager to the Offer, on behalf of the Acquirers. |
| Eligible Persons to participate in the Offer | All owners (registered or unregistered) of Equity Shares of the Target Company (except Acquirers and existing Promoters / Promoter Group of the Target Company) are eligible to participate in the Offer any time before the closure of the Offer. |
| FEMA | Foreign Exchange Management Act, 1999 including rules and regulations formulated there under. |
| FII | Foreign Institutional Investors |
| Identified Date | Friday, September 28, 2022 |
| IFSC | Indian Financial System Code |
| Income Tax Act | Income Tax Act, 1961, as amended from time to time |
| LOO / LoF | Letter of Offer |
| Manager / Manager to the Offer / Gretex | Gretex Corporate Services Limited |
| NBFC | Non-Banking Financial Company |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Funds Transfer |
| NSDL | National Securities Depository Limited |
| NRI(s) | Non – Resident Indians |
| OCB(s) | Overseas Corporate Bodies |
| Offer | Open Offer for acquisition of 11,35,264 (Eleven Lakhs Thirty-Five Thousand Two Hundred and Sixty-Four) Equity Shares of face value of Rs. 10/- (Rupees Ten Only), representing 26.00% of the total Equity and voting Share Capital of the Target Company, at a price of Rs. 5.19/- (Rupees Five and Nineteen Paise Only (the “Offer Price”) per fully paid-up Equity Share payable in cash. |
| Offer Period | Period between the date of entering into an agreement, formal or informal, to acquire shares, voting rights in, or control over a target company requiring a public announcement, or the date of the public announcement, as the case may be, and the date on which the payment of consideration to shareholders who have accepted the open offer is made i.e., July 21, 2022 (Thursday) to November 14, 2022 (Monday) or the date on which open offer is withdrawn, as the case may be. |
| Offer Price | Rs. 5.19/- (Rupees Five and Nineteen Paise Only) per share for each fully paid-up Equity Shares payable in cash. |
| PA / Public Announcement | Public Announcement of the Offer published on Thursday, July 21, 2022. |
| RBI | Reserve Bank of India |

| | |
|---|---|
| Registrar / Registrar to the Offer | Bigshare Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time. |
| Rs. / INR | Indian Rupees, the legal currency of India |
| RTGS | Real Time Gross Settlement |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI (LODR) Regulation / LODR Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereof. |
| SEBI (AST) Regulations / Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof. |
| Sellers | Mr. Aditya Amarchand Dalmia, Mrs. Pratibha Aditya Dalmia, Aditya Dalmia (HUF) (collectively referred to as the "Sellers") |
| Selling Member / Broker | Respective stock brokers of all Shareholders who desire to tender their Shares under the Open Offer |
| Share (s) | Fully paid-up Equity Share of Sharad Fibres & Yarn Processors Limited, having face value of Rs. 10/- each. |
| Shareholders | Shareholders of Sharad Fibres & Yarn Processors Limited |
| Target Company / SHARDFI | Sharad Fibres & Yarn Processors Limited, Mumbai. |
| Tendering Period | Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer i.e., the period between and including October 13, 2022 (Thursday) to October 28, 2022 (Friday). |

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DLOO HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SHARAD FIBRES & YARN PROCESSORS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE 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 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 AUGUST 04, 2022 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

3. DETAILS OF THE OFFER

3.1 BACKGROUND OF THE OFFER

- 3.1.1 This Open Offer is being made by the Acquirers and the PAC in compliance with Regulations 3(1) & 4 and other applicable provisions of SEBI (AST) Regulations, as amended pursuant to the execution of share purchase agreement.
- 3.1.2 As on date of this LoF, Acquirers and the PAC do not hold any Equity Share of the Target Company.
- 3.1.3 As on date of this LoF, neither the Acquirer and PAC nor the Target Company is registered with any other regulatory / govt. authority in any capacity.
- 3.1.4 On July 21, 2022, the Acquirer entered into a Share Purchase Agreement with the Sellers ('SPA'), to which the Acquirer have agreed to acquire 28,94,200 Equity Shares ("Sale Shares") constituting 66.28% of the Equity Share Capital of the Target Company. The Acquirer have agreed to purchase the Sale Shares at a negotiated price of Rs. 5.183/- (Rupees Five and Eighteen and Three Paise Only) per Equity Share aggregating to Rs. 1,50,00,000/- (Rupees One Crore Fifty-Lakhs Only) payable in cash. The Acquirer has paid a sum of Rs. 1,50,00,000/- (Rupees One Crore Fifty-Lakhs Only) as Earnest Money Deposit (EMD) to the sellers.

| Name of Sellers (Individuals) | Part of Promoter Group (Yes / No) | Details of shares held by the Sellers | | | |
|--|--|---------------------------------------|--|-------------------------------|--|
| | | Pre-Transaction | | Post Transaction | |
| | | Number of Equity Shares | % of fully diluted Equity Share Capital of the Target Company | Number of Equity Shares | % of fully diluted Equity Share Capital of the Target Company |
| Mr. Aditya Amarchand Dalmia (Address: 301, Samudra Setu CHS Limited, Saher Agiary Lane, Bhulabhai Desai Road, Breach Candy, Cumballa Hill, Mumbai, Maharashtra - 400026) | Yes | 17,35,981 | 39.76% | Nil | Nil |
| Mrs. Pratibha Aditya Dalmia (Address: 301, Samudra Setu CHS Limited, Saher Agiary Lane, Bhulabhai Desai Road, Breach Candy, Cumballa Hill, Mumbai, Maharashtra - 400026) | Yes | 9,46,469 | 21.68% | Nil | Nil |
| Aditya Dalmia (HUF) (Address: 301, Samudra Setu CHS Limited, Saher Agiary Lane, Bhulabhai Desai Road, Breach Candy, Cumballa Hill, Mumbai, Maharashtra - 400026) | Yes | 2,11,750 | 4.85% | Nil | Nil |
| Total | Yes | 28,94,200 | 66.28% | Nil | Nil |

3.1.5 Salient features of SPA are as follows:

- The purchase price for the Sale Shares is Rs. 5.183/- (Rupees Five and Eighteen and Three Paise Only) per fully paid-up Equity Shares of the Target Company which is negotiated price between Acquirers and the Sellers. The total consideration for the Sale Shares is Rs. 1,50,00,000/- (Rupees One Crore Fifty-Lakhs Only).
- The acquisition of Sale Shares shall be completed and shall be transferred into the name of the Acquirers and control over the Target Company shall be passed to the Acquirers after expiry of 21 working days from the date of Detailed Public Statement, as applicable.
- As per Clause 7.9. sub-clause (a) of the SPA, in case of non-compliance, the agreement shall not be acted upon and the Impact of the same, if it happens, on the shareholders of TC are:
 - The Open Offer shall stand cancelled /withdrawn;
 - The SPA transaction shall be treated as null and void; and
 - The Acquirer will no longer control the management and the old management will be restored.

3.1.6 Further, Acquirer has made a cash deposit of Rs. 70,00,000/- (Rupees Seventy Lakhs Only) (more than the Maximum Consideration) in the Offer Escrow Account as more specifically detailed in Point 6.2.4 (Financial Arrangement) below, in accordance with Regulation 22(2) of the SEBI (SAST) Regulations.

3.1.7 Through the SPA, the Acquirers propose to take substantial acquisition of shares & management control of the Target Company. Post Open Offer, assuming full acceptance in the Offer, existing shareholding and acquisition of shares under SPA, the shareholding of the Acquirer will be 40,29,464 Equity Shares constituting 92.28% of the Equity Share Capital of the Target Company.

3.1.8 The Equity Shares of the Target Company are listed on the BSE. As per Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Rule 19A of the Securities Contract (Regulation) Rules, 1957 (“SCRR”), the Target Company is required to maintain at least 25% public shareholding (i.e., shares of the Target Company held by the public as determined in accordance with the SCRR), on a continuous basis for listing. Pursuant to the SPA and

Open Offer (assuming full acceptance), the public shareholding in the Target company will fall below the minimum public shareholding requirement. The Acquirers will ensure compliances with the minimum public shareholding requirements in such manner and timelines prescribed under applicable law.

- 3.1.9 The consideration for the shares accepted under the Open Offer payable to the respective shareholders shall be paid in cash.
- 3.1.10 The Acquirers have not entered into any non-compete arrangement and / or agreement with anyone with respect to the operation of the Target Company.
- 3.1.11 Red Ribbon Asset Management PLC (Company controlling the Acquirer Company) is a **deemed** “Persons Acting in Concert” within the meaning of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations in relation to this Open Offer.
- 3.1.12 The Acquirers, PAC, Target Company and the Sellers have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of SEBI Act, 1992, as amended (the “SEBI Act”) or under any other Regulation made under the SEBI Act.
- 3.1.13 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. A copy whereof shall be sent to SEBI, BSE and Manager to the Offer and in case of a competing offers to the Managers to the Open Offer for every competing offer.

3.2 DETAILS OF THE PROPOSED OFFER

- 3.2.1 In accordance with the Regulation 14(3) and pursuant to Regulations 3 & 4 of SEBI (SAST) Regulation, the Acquirers have made a Detailed Public Statement on Thursday, July 28, 2022 pursuant to Public Announcement dated Thursday, July 21, 2022 in the following newspapers:

| | |
|--|----------------|
| Financial Express (National English Daily) | All Editions |
| Jansatta (National Hindi Daily) | All Editions |
| Pratahkal (Regional Marathi Daily) | Mumbai Edition |

A Copy of the Public Announcement dated July 21, 2022 and Detailed Public Statement published on July 28, 2022 is also available on the SEBI’s website at www.sebi.gov.in.

- 3.2.2 The Acquirer hereby make this Offer to the existing shareholders (other than the parties to the SPA) to acquire up to 11,35,264 (Eleven Lakhs Thirty-Five Thousand Two Hundred and Sixty-Four) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each constituting 26.00% of the Equity Share capital of the Target Company on the 10th (Tenth) working day from the closure of the Tendering Period (“Offer Size”) at a price of Rs. 5.19/- (Rupees Five and Nineteen Paise Only) per Equity Share payable in cash, subject to the terms and conditions set out in the Public Announcement, the Detailed Public Statement and the Letter of Offer, that will be sent to the shareholders of the Target Company.
- 3.2.3 As on date of this LoF, all the Equity Shares of the Target Company are fully paid up and there are no partly paid-up Equity Shares in the Target Company. There are no outstanding convertible instruments (debentures / warrants / FCDs / PCDs) etc. into Equity Shares on any later date.
- 3.2.4 This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company. Further there is no competitive bid in this Offer as on the date of this LoF.
- 3.2.5 This Open Offer is not a conditional offer and not subject to any minimum level of acceptance. The Acquirers will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer up to 11,35,264 (Eleven Lakhs Thirty-Five Thousand Two Hundred and Sixty-Four) Equity Shares constituting 26.00% of the Equity Share Capital of the Target Company.
- 3.2.6 The Acquirer and the PAC has not acquired any shares of Target Company after the date of P.A. i.e., July 21, 2022 and up to the date of this LoF.
- 3.2.7 The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.
- 3.2.8 The Equity Shares of the Target Company are listed on the BSE. As per Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Rule 19A of the Securities Contract (Regulation) Rules, 1957 (“SCRR”), the Target Company is required to maintain at least 25% public shareholding (i.e., shares of the Target Company held by the public as determined in accordance with the SCRR), on a continuous basis for listing. Pursuant to the SPA and Open Offer (assuming full acceptance), the public shareholding in the Target company will fall below the minimum public

shareholding requirement. The Acquirers will ensure compliances with the minimum public shareholding requirements in such manner and timelines prescribed under applicable law.

3.2.9 The Manager to the Offer, Gretex Corporate Services Limited does not hold any Equity Shares in the Target Company as on the date of the Public Announcement, Detailed Public Statement and this LoF. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

3.3 OBJECT OF THE ACQUISITION / THE OFFER

3.3.1 Pursuant to existing shareholding & the SPA, this Open Offer is being made by the Acquirer in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, wherein Acquirers propose to take substantial acquisition of shares & management control of the Target Company. Following the completion of the Open Offer, the Acquirer intends to support the management of the Target Company in their efforts towards the sustained growth of the Target Company. The Target Company is engaged in the business of manufacturing recycling of plastic wastes. The Acquirer proposes to continue with the existing activities. The Acquirer is interested in taking over the management and control of the Target Company. Thus, acquisition of shares and voting rights accompanied with change in control and management is the reason and rationale for the offer.

3.3.2 At present, the Acquirer and the PAC do not have any plans to make major change to the existing line of business of the Target Company except in the ordinary course of business and may also diversify into other business with prior consent of the shareholders and in accordance with the laws applicable.

3.3.3 At present, the Acquirer and the PAC do not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through special resolution passed by way of postal ballot in terms of Regulation 25(2) of the SEBI (SAST) Regulations.

3.3.4 The Acquirers intends to seek a reconstitution of the Board of Directors of the Target Company in compliance with Regulation 24(1) of the SEBI (SAST) Regulations and SEBI (LODR) Regulations, 2018, as amended.

3.3.5 Following the completion of the Open Offer, the Acquirer intends to support the Target Company in their efforts towards the sustained growth of the Target Company. The Target Company is engaged in the business of manufacturing recycling of plastic wastes. The Acquirer proposes to continue with the existing activities. The Acquirer is interested in taking over the management and control of the Target Company and exploring current business plan and also other complementary products and services. Thus, the acquisition of shares and voting rights accompanied with change in control and management is to rejuvenate the current operations of the company.

4. BACKGROUND OF THE ACQUIRER AND THE PAC:

4.1 ECO HOTELS UK PLC (ACQUIRER):

4.1.1 **The relationship, existing between Acquirer and PAC:** The Company is controlled by the directors and shareholders of the Parent Company i.e. PAC.

4.1.2 **The relationship, existing between Acquirer and Target Company and Sellers:** The Acquirers do not have any relationship with the Target Company and Sellers.

4.1.3 **Brief History & Major areas of Operations:** Eco Hotels UK PLC is an operator of its own Carbon Net Zero hotel brands "The Eco and Ecolodge". It is not a listed Company

4.1.4 Identity of the promoters and / or persons having control over such companies and the group, if any, to which such companies belong to:

- Red Ribbon Asset Management PLC
- Mr. Suchit Punnose.

4.1.5 The provisions of chapter V of SEBI Takeover Regulations, 2011 are not applicable to the Acquirer as they do not hold any share on the date of filing this LoF.

4.1.6 Share holding pattern as under.

| Sl. No | Shareholder's Category | No. of Shares held | Percentage of shares held |
|---------------|-----------------------------------|---------------------------|----------------------------------|
| 1. | Promoters | 9,94,17,212 | 47.47 |
| 2. | FII / Mutual-Funds / FIIs / Banks | NIL | NIL |
| 3. | Public | 11,00,36,274 | 52.53 |
| | Total Paid Up Capital | 20,94,53,486 | 100 |

4.1.7 Names and of Board of Directors of acquirer(s). As on the of issue of this LoF none of the Acquirer's Directors are already on the Board of Directors of TC.

| Name of the Director | Appointment Date | DIN | Qualifications and Experience |
|-----------------------|------------------|----------------|---|
| Mr. Suchit Punnose | June 01, 2009 | Not Applicable | He is a social enterprise entrepreneur with over twenty years of experience in incubating, scaling and exiting businesses that he has either invested or co invested in. |
| Mr. Zulfiqar Ali Khan | May 06, 2009 | Not Applicable | He is a property developer and investor managing his family's investment portfolio. He has an extensive 10 years of background in residential property development specialising in the prime Central London market. |

4.1.8 Financial Information:

(£ and Rs. in actual figures)

| Profit & Loss Statement | | | | | | | | |
|--|-----------------------------------|------------------|----------------------------------|-------------------|----------------------------------|-------------------|----------------------------------|------------------|
| | For the year ended March 30, 2022 | | For the year ended June 30, 2021 | | For the year ended June 30, 2020 | | For the year ended June 30, 2019 | |
| | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. |
| Income from operations | NIL | NIL | 2,184.00 | 2,09,518.11 | 21,497.00 | 20,62,276.00 | 71,229.00 | 68,33,225.90 |
| Other Income | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total Income | NIL | NIL | 2,184.00 | 2,09,518.11 | 21,497.00 | 20,62,276.00 | 71,229.00 | 68,33,225.90 |
| Total Expenditure. | 1,47,548.00 | 1,41,54,751.79 | 5,58,910.00 | 5,36,18,024.81 | 18,27,648.00 | 17,53,32,121.11 | 7,74,303.00 | 7,42,81,364.56 |
| Profit Before Depreciation Interest and Tax | (1,47,548.00) | (1,41,54,751.79) | (5,56,726.00) | (5,34,08,506.70) | (18,06,151.00) | (17,32,69,845.11) | (7,04,074.00) | (6,75,44,071.86) |
| Depreciation | 86,252.00 | 82,74,430.37 | 4,14,468.00 | 3,97,61,241.54 | 2,26,074.00 | 2,16,88,002.26 | 2,23,215.00 | 2,14,13,729.24 |
| Interest | NIL | NIL | 74,952.00 | 71,90,385.21 | 78,354.00 | 75,16,749.95 | 1,13,923.00 | 1,09,28,997.94 |
| Profit Before Tax | (2,33,800) | (2,24,29,182.16) | (10,46,146.00) | (10,03,60,133.45) | (21,10,579.00) | (20,24,74,597.32) | (10,41,212.00) | (9,98,86,799.04) |
| Tax on Loss | NIL | NIL | 1,744.00 | 1,67,307.50 | (38,682.00) | (37,10,888.04) | NIL | NIL |
| Profit After Tax | (2,33,800) | (2,24,29,182.16) | (10,47,890.00) | (10,05,27,440.95) | (20,71,897.00) | (19,87,63,709.28) | (10,41,212.00) | (9,98,86,799.04) |

(£ and Rs. in actual figures)

| Balance Sheet Statement | | | | | | | | |
|--|-----------------------------------|-------------------|----------------------------------|-----------------|----------------------------------|-----------------|----------------------------------|-----------------|
| | For the year ended March 30, 2022 | | For the year ended June 30, 2021 | | For the year ended June 30, 2020 | | For the year ended June 30, 2019 | |
| | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. |
| Sources of funds | | | | | | | | |
| Paid up share capital | 20,94,617.23 | 20,09,43,333.65 | 20,36,346.00 | 19,53,53,188.09 | 19,61,119.00 | 18,81,36,421.25 | 5,98,970.00 | 5,74,61,108.80 |
| Reserves and Surplus (excluding revaluation reserves) | (10,67,216.15) | (10,23,81,460.36) | 10,81,310.00 | 10,37,33,528.49 | 9,12,829.00 | 8,75,70,607.02 | 5,54,763.00 | 5,32,20,189.83 |
| Net worth | 10,27,401.08 | 9,85,61,873.29 | 31,17,656.00 | 29,90,86,716.58 | 28,73,948.00 | 27,57,07,028.27 | 11,53,733.00 | 11,06,81,298.64 |
| Secured loans | 15,415.16 | 14,78,825.63 | NIL | NIL | NIL | NIL | NIL | NIL |

| | | | | | | | | |
|--|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|
| Unsecured loans | NIL | NIL | NIL | NIL | 540.00 | 51,803.93 | 1,50,195.00 | 1,44,08,686.97 |
| Creditors | 1,39,151.29 | 1,33,49,228.53 | 1,51,694.00 | 1,45,52,490.84 | 1,79,704.00 | 1,72,39,579.77 | 4,77,231.00 | 4,57,82,296.97 |
| Provisions | 4,800.00 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total | 11,86,767.53 | 11,38,50,406.81 | 32,69,350.00 | 31,36,39,207.42 | 30,54,192.00 | 29,29,98,411.97 | 17,81,159.00 | 17,08,72,282.58 |
| Uses of funds | | | | | | | | |
| Net fixed assets | 1,45,841.46 | 1,39,91,037.95 | 22,32,647.00 | 21,41,84,971.18 | 22,17,593.00 | 21,27,40,792.79 | 3,61,819.00 | 3,47,10,454.49 |
| Investments | 10,20,587.38 | 9,79,08,213.24 | 9,73,342.00 | 9,33,75,812.75 | 7,27,477.00 | 6,97,89,196.54 | 5,52,819.00 | 5,30,33,695.69 |
| Net current assets | 20,337.69 | 19,51,059.68 | 63,361.00 | 60,78,423.49 | 1,09,122.00 | 1,04,68,422.65 | 8,66,521.00 | 8,31,28,132.40 |
| Total miscellaneous expenditure not written off | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total | 11,86,767.53 | 11,38,50,406.81 | 32,69,350.00 | 31,36,39,207.42 | 30,54,192.00 | 29,29,98,411.97 | 17,81,159.00 | 17,08,72,282.58 |

| Other Financial Data | | | | | | | | |
|-----------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Dividend (%) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Earnings Per Share* | 0.00 | (0.11) | (0.01) | (0.49) | (0.01) | (1.01) | (0.02) | (1.67) |

*EPS = Profit after tax / number of outstanding Equity Shares at the close of the year / period.

Source: As per the Financial Statements of Eco Hotels UK PLC for the Financial Year ended June 30, 2019, June 30, 2020, June 30, 2021 and March 31, 2022 alongwith Independent Auditor's report and Independent review report (for March 2022) issued by the Statutory Auditors of the Company - CA Sailesh Vaghjee (Individual ACCA License No.: 1788723), Partner of M/s SRV Delson, Chartered Certified Accountants and Statutory Auditors (Firm Registration No. 1073456) Chartered Accountants, having its office at Maruti House, 1st floor, 369 Station Road, Harrow.

Note:

- Since the financial numbers of the Acquirer are presented in £ - pound sterling, the financial information has been converted to Indian National Rupees (INR) for the purpose of convenience. The conversion has been done at the rate Rs. 95.9332 as on July 21, 2022.

Source: Website of Financial Benchmarks India Private Limited (www.fbil.org.in)

- Any difference in totaling of Sources and Uses of Funds in Rs. shall be due to the conversion from £ - pound sterling to Indian National Rupees (INR)

4.1.9 **Disclosure w.r.t. the major contingent liabilities:** - As on March 31, 2022, the Contingent Liabilities of the Company stands to £2,872,064/- (Rs.27,55,26,291/-). These contingent liabilities are only payable in the event of the company having operating profits and sufficient distributable reserves to make these payments.

4.1.10 **Declaration of Wilful Defaulter or a Fraudulent Borrower and Fugitive Economic Offenders:** - As on the date of this LoF, the Acquirer is:

- Not categorized or are appearing in the 'Wilful Defaulter or a Fraudulent Borrower' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India; and
- Not declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018.

4.2 RED RIBBON ASSET MANAGEMENT PLC (PAC):

4.2.1 **The relationship, existing between them:** Eco Hotels UK PLC is being controlled by the director and shareholder of the parent company (i.e. Red Ribbon Asset Management PLC.)

4.2.2 **Brief History & Major areas of Operations:** Founded in 2007, Red Ribbon Asset Management Plc is an Indo-British financial services group building on the legacy of historical, cultural and socio-economic ties between the two countries. As

India's global economic role has burgeoned and it looks to a golden decade of growth – following the pattern of China's trajectory template 20 years ago – the UK is shifting into a post-Brexit phase where trading and commercial relationships outside the EU are coming to the fore.

Specialties:

Alternative Investment, Financial Services, Asset Management, Fund Management, Growth Market, India, Sustainable Investment, Mainstream Impact Investment, and Private Equity Fund

Areas:

Real estate, FinTech, Funds

4.2.3 Identity of the promoters and / or persons having control over such companies and the group, if any, to which such companies belong to:

a. Mr. Suchit Punnose.

4.2.4 The provisions of chapter V of SEBI Takeover Regulations, 2011 are not applicable to the PAC as they do not hold any share on the date of filing this LoF.

4.2.5 Share holding pattern as under. [Key categories as per the relevant jurisdiction]

| Sl. No | Shareholder's Category | No. of Shares held | Percentage of shares held |
|------------------------------|------------------------|--------------------|---------------------------|
| 1. | Promoters | 6,99,21,824 | 74.58% |
| 2. | Directors & others | 2,33,78,331 | 24.94% |
| 3. | Public | 4,51,663 | 0.48% |
| Total Paid Up Capital | | 9,37,51,818 | 100% |

4.2.6 **Names and of Board of Directors of PAC:** As on the of issue of this LoF none of the PAC's Directors are already on the Board of Directors of TC.

| Name of the Director | Appointment Date | DIN | Qualifications and Experience |
|-----------------------|------------------|----------------|---|
| Mr. Suchit Punnose | 1/06/2009 | Not Applicable | Suchit Punnose is a social enterprise entrepreneur with over twenty years of experience in incubating, scaling and exiting businesses that he has either invested or co invested in. He has invested in businesses ranging from retail to service industries where he has brought in experienced management teams with track records to execute the business plan whilst overseeing the vision and strategy. Indian born and bred, he has the relevant network and resources in India to establish businesses and to oversee the execution of the project in a risk mitigated fashion. He is a champion of the principles of Impact Investment. He leads the growth and execution of strategy of the group. He is the founder of the Company. |
| Mr. Arvid Pedersen | 1/12/2010 | Not Applicable | Arvid has worked in the insurance industry for more than 30 years, of which more than a decade was in administration and regulatory compliance. He is proficient in setting up processes, ensuring they work efficiently and comply with regulatory requirements. He is in charge of administration and operations of the group in the UK, India and Mauritius. He is a shareholder of the Company. |
| Mr. Zulfiqar Ali Khan | 19/05/2009 | Not Applicable | Zulfi is a property developer and investor managing his family's investment portfolio. He has an extensive background in residential property development specialising in the prime central london market. His role is to develop profitable and sustainable growth for the company through strategic planning and |

| | | | |
|------------------------|------------|----------------|---|
| Mr. Prem Nath Pasricha | 01/10/2009 | Not Applicable | introductions. He is a founding shareholder of the company. |
| Mr. Paul Rodker | 17/01/2010 | Not Applicable | Prem is a UK based entrepreneur with over 40 years of experience in manufacturing, textiles and real estate. He comes with a wide range of expertise and experience in various sectors and has the vital connections and network in India to establish businesses. His expertise lies in execution of land transactions and identifying local strategic partners. He is a shareholder of the company. |

4.2.7 Financial Information:

(£ and Rs. in actual figures)

| Profit & Loss Statement | | | | | | | | |
|--|---|-----------------|----------------------------------|----------------|----------------------------------|--------------|----------------------------------|--------------|
| | For the year ended April 30, 2022 (July 01, 2022 to April 30, 2022) | | For the year ended June 30, 2021 | | For the year ended June 30, 2020 | | For the year ended June 30, 2019 | |
| | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. |
| Income from operations | 37,41,864 | 35,89,68,988 | 33,51,710 | 32,15,40,266 | 35,77,654 | 34,32,15,797 | 26,96,498 | 25,86,83,682 |
| Other Income | 66,956 | 64,23,303 | 1,05,840 | 1,01,53,570 | 2,10,683 | 2,02,11,494 | 1,16,804 | 1,12,05,381 |
| Total Income | 38,08,820 | 36,53,92,291 | 34,57,550 | 33,16,93,836 | 37,88,337 | 36,34,27,291 | 28,13,302 | 26,98,89,063 |
| Total Expenditure | 21,97,413 | 21,08,04,861 | 78,19,561 | 75,01,55,509 | 24,90,846 | 23,89,54,827 | -25,06,969 | 24,05,01,558 |
| Profit Before Depreciation Interest and Tax | 16,11,407 | 15,45,87,430.01 | (43,62,011) | (41,84,61,674) | 12,97,191 | 12,44,43,684 | 3,06,333 | 2,93,87,505 |
| Depreciation | 78,576 | 75,38,047 | 72,974 | 70,00,629 | 18,268 | 17,52,508 | 19,924 | 19,11,373 |
| Interest | 4,16,382 | 3,99,44,858 | 2,99,874 | 2,87,67,872 | 3,97,704 | 3,81,53,017 | 3,69,887 | 3,54,84,444 |
| Profit Before Tax | 11,95,025 | 11,46,42,572 | (47,34,859) | (45,42,30,175) | 8,81,519 | 8,45,66,939 | (83,478) | (80,08,312) |
| Tax on Loss | NA | NA | 8,617 | 8,26,656 | 19,441 | 18,65,037 | - | - |
| Profit After Tax | 11,95,025.00 | 11,46,42,572.33 | (47,43,476) | (45,50,56,832) | 8,62,078 | 8,27,01,901 | (83,478) | (80,08,312) |

(£ and Rs. in actual figures)

| Balance Sheet Statement | | | | | | | | |
|--|--------------------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| | For the year ended April 30, 2022 | | For the year ended June 30, 2021 | | For the year ended June 30, 2020 | | For the year ended June 30, 2019 | |
| | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. | In £ | In Rs. |
| Sources of funds | | | | | | | | |
| Paid up share capital | 10,92,463 | 10,48,03,4 72 | 10,86,892 | 10,42,69,0 28 | 10,76,056 | 10,32,29,4 95 | 10,88,180 | 10,43,92, 590 |
| Reserves and Surplus (excluding revaluation reserves) | 21,18,898 | 20,32,72,6 66 | -1,99,196 | 1,91,09,51 0 | 32,04,402 | 30,74,08,5 38 | 17,65,071 | 16,93,28, 909 |
| Net worth | 32,11,361 | 30,80,76,1 37 | 8,87,696 | 8,51,59,51 8 | 42,80,458 | 41,06,38,0 33 | 28,53,251 | 27,37,21, 499 |
| Secured loans | 47,55,496 | 45,62,09,9 49 | 10,93,010 | 10,48,55,9 47 | 18,65,396 | 17,89,53,4 08 | 17,61,896 | 16,90,24, 321 |
| Unsecured loans | NIL | NIL | 28,21,760 | 27,07,00,4 66 | 28,73,183 | 27,56,33,6 39 | 32,02,258 | 30,72,02, 857 |
| Provisions | NIL | NIL | 25,567 | 24,52,724 | 32,234 | 30,92,311 | NIL | NIL |
| Total | 79,66,857 | 76,42,86,0 86 | 48,28,033 | 46,31,68,6 55 | 90,51,271 | 86,83,17,3 91 | 78,17,405 | 74,99,48, 677 |
| Uses of funds | | | | | | | | |
| Net fixed assets | 1,20,450 | 1,15,55,15 4 | 69,915 | 67,07,170 | 4,46,903 | 4,28,72,83 5 | 6,11,082 | 5,86,23,0 52 |
| Investments | 41,70,820 | 40,01,20,1 09 | 37,05,393 | 35,54,70,2 08 | 45,69,566 | 43,83,73,0 89 | 32,41,532 | 31,09,70, 538 |
| Net current assets | 36,75,587 | 35,26,10,8 23 | 10,52,725 | 10,09,91,2 78 | 40,34,802 | 38,70,71,4 67 | 39,64,791 | 38,03,55, 088 |
| Total miscellaneo us expenditure not written off | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total | 79,66,857 | 76,42,86,0 86 | 48,28,033 | 46,31,68,6 55 | 90,51,271 | 86,83,17,3 91 | 78,17,405 | 74,99,48, 677 |

| Other Financial Data | | | | | | | | |
|--------------------------------|------|------|-------|-------|------|------|------|-------|
| Dividend (%) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Earnings Per Share* | 0.01 | 1.05 | -0.04 | -4.19 | 0.01 | 0.77 | 0.00 | -0.07 |

*EPS = Profit after tax / number of outstanding Equity Shares at the close of the year / period.

Source: As per the Financials Statements of Red Ribbon Asset Management PLC for the Financial Year ended June 30, 2019, June 30, 2020, June 30, 2021 and April 30, 2022 alongwith Independent Auditor's report and Independent review report (for April 2022) issued by the Statutory Auditors of the Company - CA Sailesh Vaghjee (Individual ACCA License No.: 1788723), Partner of M/s SRV Delson, Chartered Certified Accountants and Statutory Auditors (Firm Registration No. 1073456) Chartered Accountants, having its office at Maruti House, 1st floor, 369 Station Road, Harrow.

Note:

- i. Since the financial numbers of the Acquirer are presented in £ - pound sterling, the financial information has been converted to Indian National Rupees (INR) for the purpose of convenience. The conversion has been done at the rate Rs. 95.9332 as on July 21, 2022.

Source: Website of Financial Benchmarks India Private Limited (www.fbil.org.in)

- ii. Any difference in totaling of Sources and Uses of Funds in Rs. shall be due to the conversion from £ - pound sterling to Indian National Rupees (INR)

4.2.8 Disclosure w.r.t. the major contingent liabilities: - Contingent Liability as on June 30, 2022 is £9,006,897 (Rs. 86,40,60,452/-).

4.2.9 Declaration of Wilful Defaulter or a Fraudulent Borrower, Fugitive Economic Offenders: - As on the date of this LoF, the PAC is:

- i. Not categorized or are appearing in the 'Wilful Defaulter or a Fraudulent Borrower' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India; and
- ii. Not declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018.

5 BACKGROUND OF THE TARGET COMPANY (SHARAD FIBRES & YARN PROCESSORS LIMITED)

(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 under the provisions of the Companies Act, 1956 on July 02, 1987 with Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of Target Company is L17110MH1987PLC043970. There has been no change in name of the Target Company in the last 3 (three) years. The registered office of the Target Company is situated at 19, 3rd Floor, Prabhadevi Industrial Estate, 408 Veer Savarkar Marg, Prabhadevi, Mumbai, Maharashtra, India – 400 025.

5.2 Share Capital Structure of the Target Company

The Authorized Share Capital of the Company is Rs. 8,00,00,000/- (Rupees Eight Crore Only) divided into 80,00,000 (Eighty Lakh) Equity Shares of Rs. 10/- each. As on date, the Issued, Subscribed and Paid-up Capital of the Target Company is Rs. 4,36,64,000/- (Rupees Four Crore Thirty-Six Lakhs Sixty-Four Thousand Only) divided into 43,66,400 (Forty-Three Lakhs Sixty-Six Thousand Four Hundred) Equity Shares of Rs. 10/- each. The entire Issued, Subscribed and Paid-up Capital and voting Equity capital of the Target Company is listed at BSE Limited ("BSE").

5.3 The Share Capital of the Target Company is as follows:

| Particulars | No. of Shares / Voting Rights | % of Shares / Voting Rights |
|---|--------------------------------------|------------------------------------|
| Fully Paid-up Equity Shares | 43,66,400 | 100.00 |
| Partly Paid-up Equity Shares | - | - |
| Total Paid-up Equity Shares | 43,66,400 | 100.00 |
| Total Voting Rights in the Target Company | 43,66,400 | 100.00 |

5.4 As on date of this LoF, there are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into Equity Shares on any later date. There are no partly paid-up shares in the Target Company.

5.5 The shares of the Target Company are presently listed on the BSE Limited (BSE). The shares of the Target Company are not suspended for trading from BSE Limited.

5.6 Based on the information available on the website of BSE, the Equity Shares of the Target Company are not frequently traded on the BSE SME within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.7 As there was no trade on the day of public announcement, the details of the market price in the stock of the Target Company since May 19, 2022(the last traded day prior to PA) and the market price on the day just after PA on which the shares of the Target Company were traded are as follows:

Closing Prices:

| Particulars | Date | Closing Price (Rs.) |
|---|--------------------------|---------------------|
| Trading day preceding to PA where shares were traded. | Thursday, May 19, 2022 | 25.25 |
| Immediately preceding trading day before PA date | Wednesday, July 20, 2022 | Not traded |
| As on date of PA | Thursday, July 21, 2022 | Not traded |
| Immediate trading day after PA date | Friday, July 22, 2022 | 26.5 |

5.8 Details of Directors of Sharad Fibres & Yarn Processors Limited:

As on the date of this LoF, the Board of Directors of the Target Company comprises of 3 (Three) members as given below:

| Sr. No. | Name of Directors | DIN | Designation | Date of Appointment |
|---------|------------------------------|----------|----------------------|---------------------|
| 1 | Ms. Jyoti Chanderlal Nankani | 07145004 | Managing Director | March 30, 2015 |
| 2 | Mr. Surendra Bahadur Singh | 06521001 | Independent Director | March 01, 2013 |
| 3 | Mr. Unni Krishnan Nair | 01159376 | Independent Director | May 18, 2001 |

5.9 There has not been any merger / demerger or spin-off in the Target Company during the past 3 (three) years.

5.10 The key financial information of the Target Company based on the audited financial statements for the financial year ended March 31, 2022, 2021 and 2020 are as follows:

(in. actual Rs.)

| Profit & Loss Account as on | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--|---------------------|------------------------|-----------------------|
| Income from Operations | 16,58,680.00 | 1,00,03,460.00 | 2,02,92,250.00 |
| Other Income | 3,07,578.00 | 18,84,25,944.00 | 1,42,413.00 |
| Total Income | 19,66,258.00 | 19,84,29,404.00 | 2,04,34,663.00 |
| Total Expenditure | 59,68,443.00 | 4,86,14,521.00 | 2,99,97,273.00 |
| Profit Before Depreciation, Interest and Tax | (40,02,185.00) | 15,12,52,645.00 | (81,37,155.00) |
| Depreciation | NIL | 14,37,762.00 | 12,56,124.00 |
| Interest | NIL | NIL | 1,69,331.00 |
| Profit / (Loss) Before Tax | (4002185.00) | 149814883 | (9562,610) |
| Tax Expenses | (172311.00) | NIL | NIL |
| Profit / (Loss) After Tax | (4174496) | 149814883 | (9562610) |
| Other Comprehensive Income / Loss | NIL | NIL | NIL |
| Total Comprehensive Income / Loss | NIL | NIL | NIL |

(in actual Rs.)

| Balance Sheet as on | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--|---------------------|-----------------------|--------------------------|
| Sources of Funds | | | |
| Paid up Shares Capital | 4,36,64,000.00 | 4,36,64,000.00 | 4,36,64,000.00 |
| Reserves and Surplus (Excluding Revaluation Reserve) | (3,61,02,207.00) | (3,19,27,712.00) | (44,17,72,772.00) |
| Net Worth | 75,61,793.00 | 1,17,36,289.00 | (39,81,08,772.00) |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| - Long Term Borrowings | NIL | 3,48,320.00 | 44,88,71,673.00 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| - Borrowings | NIL | 3,22,023.00 | 7,91,071.00 |
| - Trade Payables | 62,200.00 | 18,74,358.00 | 22,12,377.00 |
| Current Tax Liabilities | NIL | NIL | NIL |
| Other Current Liabilities | 34,705.00 | 10,60,858.00 | 6,75,774.00 |
| Total | 76,58,698.00 | 1,53,41,848.00 | 5,44,42,123.00 |
| Uses of Funds | | | |
| Non-Current Assets | | | |
| - Property, Plant and Equipment | NIL | 2455141.00 | 11509014.00 |
| - Other Financial Asset | 4,99,314.00 | 948491.00 | 811672.00 |
| - Other Non-Current Assets | NIL | NIL | 1,00,000.00 |
| Current Assets | | | |
| - Inventories | NIL | NIL | 14,41,435.00 |
| Financial Assets | | | |
| - Current Investment | NIL | NIL | NIL |

| | | | |
|-----------------------------|---------------------|-----------------------|-----------------------|
| - Trade Receivables | NIL | 40,400.00 | 2,25,52,668.00 |
| - Cash and Cash Equivalents | 70,74,221.00 | 1,16,63,308.00 | 1,78,01,356.00 |
| - Loans and Advances | NIL | 61,168.00 | NIL |
| - Other Financial Assets | NIL | NIL | NIL |
| Current Tax Assets | NIL | NIL | NIL |
| Other Current Assets | 85,163.00 | 1,73,340.00 | 2,25,980.00 |
| Total | 76,58,698.00 | 1,53,41,848.00 | 5,44,42,123.00 |

| Other Financial Data | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--------------------------------|-----------------------|-----------------------|-----------------------|
| Dividend (%) | NIL | NIL | NIL |
| Earnings Per Share (Rs.) * | (0.96) | 34.31 | (2.19) |
| Return on Net worth (%) ** | (0.55) | 12.77 | 0.024 |
| Book Value Per Share (Rs.) *** | 1.73 | 2.69 | (91.17) |

*EPS = Profit after tax / number of outstanding Equity Shares at the close of the year / period.

**Return on Net Worth = Profit / Net Worth.

***Book Value per Share = Net Worth / No. of Equity Shares.

Source: Audited Annual Accounts as certified by the Statutory Auditor of SHARDFI.

5.11 Pre and Post Offer Shareholding Pattern of the Target Company is as follows:

| Shareholders' Category | Shares / voting rights prior to the agreement / acquisition and the Offer | | Shares / voting rights agreed to be acquired through SPA | | Shares / voting rights to be acquired in open offer (assuming full acceptances) | | Shareholding / voting rights after the acquisition and offer (assuming full acceptance) | |
|--|---|--------------|--|----------------|--|--------------|---|--------------|
| | (A) | | (B) | | (C) | | (A) + (B) + (C) = (D) | |
| | No | % | No | % | No | % | No | % |
| (1) Promoters Group | | | | | | | | |
| a) Parties to SPA, namely - Mr. Aditya Amarchand Dalmia - Mrs. Pratibha Aditya Dalmia - Aditya Dalmia (HUF) | 28,94,200 | 66.28 | (28,94,200) | (66.28) | - | - | - | - |
| b) Other than (a) above | - | - | - | - | - | - | - | - |
| Sub Total (1) | 28,94,200 | 66.28 | (28,94,200) | (66.28) | - | - | - | - |
| (2) Acquirers | | | | | | | | |
| Eco Hotels UK PLC | - | - | 28,94,200 | 66.28 | 11,35,264 | 26.00 | 40,29,464 | 92.28 |
| Sub Total (2) | - | - | 28,94,200 | 66.28 | 11,35,264 | 26.00 | 40,29,464 | 92.28 |
| (3) Parties to agreement other than (1) & (2) above | | | | | | | | |
| (4) Public Shareholders (i.e. other than mentioned above) | | | | | | | | |
| a) FIs / MFs / FIIs / Banks | 1,500 | 0.03 | - | - | (11,35,264) | (26.00) | 3,36,936 | 7.72 |
| b) Others | | | | | | | | |
| 1. Individuals | | | | | | | | |
| i. Holding Share capital upto Rs. 2 lakhs | 11,59,700 | 26.56 | - | - | | | | |
| ii. Holding Share Capital more than Rs. 2 lakhs | 1,92,900 | 4.42 | - | - | | | | |
| 2. Bodies Corporate | 37,400 | 0.86 | - | - | | | | |
| 3. Clearing Members | 5,700 | 0.13 | - | - | | | | |
| 4. NRIs | 74,900 | 1.72 | - | - | | | | |
| 5. HUF | 100 | 0.00 | - | - | | | | |

| | | | | | | | | |
|---|------------------|---------------|----------|----------|--------------------|----------------|------------------|---------------|
| Sub Total (4) | 14,72,200 | 33.72 | - | - | (11,35,264) | (26.00) | 3,36,936 | 7.72 |
| Grand Total (1+2+3+4) | 43,66,400 | 100.00 | - | - | - | - | 43,66,400 | 100.00 |
| Total No. of shareholders in public category | 1,520 | | | | | | | |

Notes:

- 1) Shareholding Pattern is based on Quarter ended June 30, 2022.
- 2) All percentages are calculated on the Total Equity Paid up Shares Capital of the Target Company, as on 10th working day after closing of tendering period.
- 3) The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this open offer.

5.12 Details of Compliance Officer of the Target Company

Ms. Namita Rathore

Sharad Fibres & Yarn Processors Limited

19, 3rd Floor, Prabhadevi Industrial Estate, 408 Veer Savarkar Marg, Prabhadevi, Mumbai, Maharashtra, 400025

Tel No: +91 22 6634 9000 **Fax:** 2207 2504 / 4002 7257

E-mail ID: jyoti@dalmiapolypro.in

5.13 As on date of this Lof, the Company has not issued any Depository Receipts in foreign countries.

5.14 Declaration of Wilful Defaulter or a Fraudulent Borrower, Fugitive Economic Offenders: - As on the date of this LoF, the TC is:

- i. Not categorized or are appearing in the 'Wilful Defaulter or a Fraudulent Borrower' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India; and
- ii. Not declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018.

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

- 6.1.1 The Equity Shares of the Target Company are listed on BSE Limited, having a Scrip ID of "SHARDFI" & Scrip Code of 514402.
- 6.1.2 The annualized trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the 12 (twelve) calendar months prior to the month of Public Announcement (July 01, 2021 to July 31, 2022) is as given below:

| Name of the Stock Exchange | Total number of Equity Shares traded during the 12 (Twelve) calendar months prior to the month of PA | Total Number of Listed Shares | Annualized Trading Turnover (in terms of % to Total Listed Shares) |
|-----------------------------------|---|--------------------------------------|---|
| BSE | 283 | 43,66,400 | 0.01% |

(Source: www.bseindia.com)

Note: On BSE website, the total number of shares traded are not mentioned, hence we have taken total number of shares traded for the month From July 2021 to July 2022 (excluding the month of June 2022.)

- 6.1.3 Based on the information available on the website of BSE, the Equity Shares of the Target Company are not frequently traded on the BSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Hence, the Offer Price of Rs. 5.19/- (Rupees Five and Nineteen Paise Only) per fully paid-up Equity Share has been determined in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the higher than the following:

| | | |
|-----|--|-------------|
| (a) | Highest Negotiated Price per equity share for any acquisition under the Share Purchase Agreement ("SPA") | Rs. 5.183/- |
| (b) | The volume-weighted average price paid or payable for acquisition during the 52 (Fifty-Two) weeks immediately preceding the date of PA | N.A. |
| (c) | The highest price paid or payable for any acquisition during 26 (Twenty-Six) weeks period immediately preceding the date of PA | N.A. |

| | | |
|-----|---|------------|
| (d) | In case of frequently traded shares, the volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE | N.A. |
| (e) | Other Financial Parameter: | |
| | NAV per Equity Share* | Rs. 1.73/- |

*CA Jay Shanker Gupta (Membership No. 059535), Partner of M/s Gupta Agarwal & Associates, Chartered Accountants (Firm Registration No. 329001E) having its office at 23, Gangadhar Babu Lane, Imax Lohia Square, 3rd Floor, Room No. 3A, Kolkata, West Bengal – 700 012 vide Valuation Certificate dated July 21, 2022 has calculated fair value of the Equity Shares of the Target Company as Rs. 1.73/- (Rupees One and Seventy-Three Paisa Only) per Equity Share.

In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 5.19/- (Rupees Five and Nineteen Paise Only) per fully paid-up Equity Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations.

A brief on control premium that is being paid to acquire control of the company: The per share valuation as assessed by the valuer comes to Rs. 1.73 and the Offer Price given to the existing public shareholders in lieu of the shares held by them is Rs. 5.19 which is inclusive of a control premium of Rs. 3.46. This control premium has been given as a leverage to the existing shareholders as an exit opportunity to tender their shares at a price which is higher than the fair market value of the shares of the Company. The control premium, thus, has been provided to safeguard the interest of the existing public shareholders.

- 6.1.4 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.5 As on date, there is no revision in open offer price or open offer size. In case of any revision in the open offer price or open offer size, the Acquirers shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, Stock Exchanges and the Target Company at its registered office of such revision. The revised Offer Price would be paid to all the Public Shareholders who's Equity Shares are accepted under the Open Offer.
- 6.1.6 If there is any revision in the offer price on account of future purchases / competing offers, it will be done on or before one working day prior to the commencement of tendering period and would be notified to the shareholders.
- 6.1.7 If the Acquirers acquire Equity Shares during the period of twenty-six weeks after the closure of 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 the Public Shareholders whose Equity Shares have been accepted in this Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares in any form.
- 6.1.8 This acquisition is a Direct Acquisition under the regulations of SEBI (SAST) Regulations.

6.2 FINANCIAL ARRANGEMENT

- 6.2.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of 11,35,264 (Eleven Lakhs Thirty-Five Thousand Two Hundred and Sixty-Four) Equity Shares of Rs. 10/- each from the public shareholders of the Target Company at Offer Price of Rs. 5.19/- (Rupees Five and Nineteen Paise Only) per Equity Share is Rs. 58,92,020.16/- (Rupees Fifty-Eight Lakhs Ninety-two Thousand and Twenty and Sixteen Paise Only) (the “Offer Consideration”).
- 6.2.2 The Acquirer have adequate resources and have made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources and no funds are borrowed from banks or financial institution for the purpose of this Open Offer. CA Sainesh Vaghjee (Individual ACCA License No.: 1788723), Partner of M/s SRV Delson, Chartered Certified Accountants and Statutory Auditors (Firm Registration No. 1073456) Chartered Accountants, having its office at Maruti House, 1st floor, 369 Station Road, Harrow, vide certificate dated July 26, 2022 have confirmed that sufficient resources are available with the Acquirer for fulfilling the obligations under this Open Offer in full.
- 6.2.3 In terms of Reg. 17(1) of the Regulations, the Acquirer have to create an escrow for an amount equal to 25% of the “Offer Consideration” i.e., for Rs. 14,73,005.04/- (Rupees Fourteen Lakhs Seventy-Three Thousand Five and Four Paisa Only).
- 6.2.4 In terms of Reg. 17(3) and 22(2) of the Regulations, the Acquirer, the Manager to the Offer and Kotak Mahindra Bank Limited, a banking company incorporated under the laws of India and having its registered office at 27 BKC, C 27, G Block Bandra Kurla Complex, Bandra (E), Mumbai 400051, Maharashtra have entered into an Escrow Agreement for the purpose of the Offer (“Escrow Agreement”). Pursuant to the Escrow Agreement, the Acquirers have deposited Rs. 70,00,000/- (Rupees Seventy Lakhs Only) in cash in the Escrow Account which is more than 100.00% of the Offer Consideration.

- 6.2.5 The Manager to the Offer has been duly authorised by the Acquirers to realize the value of Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.6 Based on the above and in the light of the Escrow Arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill the Acquirers' obligations through verifiable means in relation to the Offer in accordance with the SEBI (SAST) Regulations.
- 6.2.7 In terms of Regulation 22(2) of the SEBI (SAST) Regulations, the Acquirers may, after the expiry of 21 workings days from date of Detailed Public Statement, complete the acquisition of Equity Shares acquired pursuant to the SPA and other acquisitions during the Offer period, if any.

7 TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

- 7.1.1 This Offer is not conditional upon any minimum level of acceptance i.e it is not a conditional offer.
- 7.1.2 The Offer is subject to the terms and conditions set out in this LoF, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.3 The Letter of Offer will be dispatched / mailed to those Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Equity Shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date i.e Friday, September 28, 2022. Owners of Equity Shares who are not registered as Shareholder(s) are also eligible to participate in the Offer at any time prior to the Date of Closure of the Offer.
- 7.1.4 The Public Shareholders may tender their Equity Shares in the Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. The Acquirer has up to 10 Working Days from the closure of the Tendering Period to pay the consideration to the Public Shareholders whose Equity Shares are accepted in the Open Offer.
- 7.1.5 The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that they have good and valid title on the Offer Shares. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Offer Shares are clear from all liens, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Offer, together with all the economic, voting and beneficial rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
- 7.1.6 The acquisition of Equity Shares under the Open Offer from all Public Shareholders (resident and non-resident) is subject to all approvals required to be obtained by such Public Shareholders in relation to the Open Offer and the transfer of Equity Shares held by them to the Acquirer. Further, if the Public Shareholders who are not persons resident in India require or had required any approvals in respect of the transfer of 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 other documents required to be tendered to accept this Open Offer. In the event such prior approvals are not submitted, the Acquirer and / or PACs reserve their right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder 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.
- 7.1.7 The instructions, authorisations and provisions contained in the Form of Acceptance-cum Acknowledgement constitute an integral part of the terms and conditions of this Open Offer. The Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer along with the Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance-cum-Acknowledgement is also expected to be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.
- 7.1.8 There has been no revision in the Offer Price or Offer Size as on the date of this Letter of Offer. The Acquirer and the PACs reserve the right to revise the Offer Price and / or the number of Offer Shares upwards at any time prior to the commencement of 1 (one) Working Day prior to the commencement of the Tendering Period, in accordance with the SEBI (SAST) Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer and the PACs shall: (i) make a corresponding increase to the Escrow Amount and / or Bank Guarantee; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously notify Stock Exchanges, SEBI and the Target Company at its registered office. In case of any revision of the Offer Price, the Acquirer / PACs would pay such revised price for all the Equity Shares validly tendered at any time during the Open Offer and accepted under the Open Offer in accordance with the terms of the Letter of Offer.
- 7.1.9 The Underlying Transaction (which triggered the Offer) is a Foreign Direct Investment under the terms of the FEMA Regulations. Under Regulation 5(1) read with Schedule 1 of the FEMA Regulations, a person resident outside India is

permitted to purchase the equity shares of a listed Indian company on the stock exchange if such person has already acquired control of such Indian listed company in accordance with the SEBI (SAST) Regulations. Accordingly, the Acquirer (being a person resident outside India) is not permitted to purchase the Equity shares on the stock exchange under the mechanism for acquisition of equity shares specified in SEBI circular CIR/CFD/POLICYCELL/2015 dated 13 April 2015 (“SEBI Circular”) and SEBI circular CFD/DCR2/CIR/P/2016/131 dated 9 December 2016. Further, as provided in the SEBI Circular, the Acquirer shall be following the “tender offer method” for acquisition of the Offer Shares. Accordingly, securities transaction tax will not be applicable to the Equity Shares accepted in this Offer and the Public Shareholders whose Equity Shares have been validly tendered and accepted may be subject to applicable capital gains tax. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take.

- 7.1.10 Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non-receipt of Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.11 The eligible persons can write to the Registrar / Manager to the Offer requesting for the Letter of Offer. Alternatively, the Letter of Offer would also be available at SEBI's website at www.sebi.gov.in and shareholders can also apply by downloading such documents from the website.
- 7.1.12 This Offer is subject to the receipt of any statutory and other approvals as mentioned under paragraph 7.4 of this LoF. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.13 The acceptance of the Offer must be unconditional and should be in the manner prescribed herein.
- 7.1.14 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 7.1.15 The Acquirers will not be responsible in any manner for any loss of Equity Share certificate(s) and Offer acceptance documents during transit. The Equity shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

7.2 LOCKED IN SHARES

Locked-in shares shall be accepted subject to the continuation of the residual lock-in period in the hands of the Acquirers. There shall be no discrimination in the acceptance of locked-in and not locked-in shares. However as on the date of the Public Announcement, there are no locked in shares in the Target Company.

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

All the Equity Shareholders registered or unregistered, (except Acquirers and existing Promoters / Promoter Group of the Target Company) who own fully paid Equity Shares of the Target Company any time before the closure of the Open Offer are eligible to participate in the Open Offer. However, the Letter of Offer will be dispatched / mailed to those Shareholders whose names appear on the Register of Members of the Target Company at the close of business hours on the Identified Date i.e., Friday, September 28, 2022.

7.4 STATUTORY AND OTHER APPROVALS

- 7.4.1 As on the date of this LoF, no approval is required from any bank / financial institutions for the purpose of this Offer, to the best of the knowledge of the Acquirers.
- 7.4.2 As on the date of this LoF, there are no other statutory approvals required to acquire the Equity Shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirers will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to SEBI, BSE and the registered office of the Target Company.
- 7.4.3 Shareholders of the Target Company who are either non-resident Indians (“NRIs”) or overseas corporate bodies (“OCBs”) and wish to tender their Equity shareholding in this Open Offer shall be required to submit all the applicable approvals of RBI which have been obtained at the time of acquisition of Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the

Acquirers from NRIs and OCBs.

7.4.4 In case of delay in receipt of any statutory approvals as disclosed above or which may be required by the Acquirers at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer subject to the Acquirers agreeing to pay interest to the Public Shareholders for the delay. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers has the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Open Offer.

7.4.5 There are no conditions stipulated in the SPA between the Acquirers and the Sellers, the meeting of which would be outside the reasonable control of the Acquirers and in view of which the Offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1 The Open Offer will be implemented by the Company through Stock Exchange Mechanism made available by BSE Limited (BSE) in the form of separate window (Acquisition Window) as provided under the SEBI (SAST) Regulations and SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 read with SEBI Circular number CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and notices / guidelines issued by Designated Stock Exchange and the Clearing Corporation in relation to the mechanism / process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers as amended and updated from time to time.

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

8.3 The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchange in the form of a separate window (Acquisition Window).

8.4 The Acquirer have appointed Buying Broker for the Open Offer through whom the purchases and the settlement of the Open Offer shall be made during the tendering period. The contact details of the Buying Broker are as mentioned below:

Name: Nikunj Stock Brokers Limited

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

Contact Person: Mr. Anshul Aggarwal

Tel.: 011- 47030018 / 17 / 91-8506922981

E-mail ID: complianceofficer@nikunjonline.com

Website: www.nikunjonline.com

SEBI Reg. No.: INZ000169335

8.5 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 tendering period.

8.6 A Separate Acquisition window will be provided by the stock exchange to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Shares.

8.7 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.

8.8 Modification / cancellation of Orders will not be allowed during the tendering period of the Open Offer.

8.9 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.

8.10 Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client.

8.11 In case any Seller Broker is not registered with the designated stock exchange and therefore the Public Shareholder is unable to tender Equity Shares under the Offer, such Public Shareholder may approach the Buying Broker to facilitate tendering of equity Shares under the Offer.

8.12 Procedure for tendering Equity Shares held in Dematerialised Form:

- a) The Equity Shareholders who are holding the Equity Shares in electronic / dematerialized form and who desire to tender their Equity Shares in this Offer shall approach their respective Stock Broker (‘**Selling Broker**’) indicating details of Shares they wish to tender in the Open Offer.
- b) The Equity Shareholders are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Indian Clearing Corporation Limited (‘**Clearing Corporation**’).

Such Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf and the same shall be validated at the time of order entry.

- c) Shareholders will have to submit Delivery Instruction Slips ('DIS') duly filled in specifying market type as 'Open Offer' and execution date along with other details to their respective Stock Broker so that Equity Shares can be tendered in Open Offer.
- d) For Custodian participant order 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 the 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 the custodian again for confirmation.
- e) Upon placing the bid, the Selling Broker(s) shall provide Transaction Registration Slip ('TRS') generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.
- f) In case of receipt of Equity Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted, for demat Shareholders.
- g) The Equity 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 prorate acceptance in the Open Offer.
- h) The Equity Shareholders holding Equity Shares in Demat mode are not required to fill any Form of Acceptance.

8.13 Procedure for tendering Equity Shares held in Physical Form:

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 Shareholders holding securities in physical form are allowed to tender shares in Open Offer through Tender Offer route. However, such tendering shall be as per the provisions of respective regulations.

Public Shareholders who are holding physical Equity Shares and intend to participate in the Open 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 shares etc.

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 the 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 favor 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 PM). The envelope should be superscripted as "**SHARDFI 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.

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) Aadhar Card; (b) Voter Identity Card; or (c) Passport.

Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open 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.

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.

Shareholders should also provide all relevant documents, which are necessary to ensure transferability of 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.

8.14 Procedure for tendering the shares in case of non-receipt of 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.

In case the Equity Shares are in dematerialised form: An Eligible Person may participate in the Offer by approaching their Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in point 8.12 above.

In case the Equity Shares are in physical form: An Eligible Person may participate in the Offer by approaching their Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in point 8.13 above.

8.15 Public Shareholders who have acquired the Equity Shares but whose names do not appear in the records of the Depositories on the Identified Date or those who have not received the Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. It shall be noted that no indemnity is needed from the unregistered shareholders. In the alternate, such holders of the Equity Shares may apply in the form of acceptance-cum-acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (<http://www.sebi.gov.in/>) or from Bigshare Services Private Limited (“Registrar to the Offer”). The application is to be sent to the Registrar to the Offer at any of the collection centers that shall be mentioned in the Letter of Offer, so as to reach the Registrar to the Offer during business hours on or before 5 p.m. on the date of closure of the tendering period of this Offer, together with:

- a. the DP name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in “off-market” mode duly acknowledged by the DP for transferring the Equity Shares to the special depository account (“Escrow Demat Account”)
- b. Public Shareholders have to ensure that their Equity Shares are credited in the above-mentioned Escrow Demat Account, before the closure of the Tendering Period, i.e., Thursday, September 29, 2022.
- c. Public Shareholders holding shares in demat form are not required to submit the Form of Acceptance-cum-Acknowledgment to the Registrar, unless required by their respective Selling Broker.

8.16 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 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 to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.

8.17 Settlement Process:

- a) 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 account of Clearing Corporation.
- b) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- c) Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account which will be provided by the Acquirers.
- d) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity Shareholders would be returned to them by the Clearing Corporation.
- e) In case of partial or non-acceptance of orders the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective

Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

f) 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 non-acceptance of the shares under the Offer.

8.18 Settlement of Funds / Payment Consideration

- a) The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- b) The funds received from Buying Broker by the Clearing Corporation will be released to the Shareholder / Selling Broker(s) as per secondary market pay out mechanism.
- c) For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds pay-out to respective Equity Shareholders. If shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI / Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- d) The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker / Custodian Participant will receive funds payout in their settlement bank account.
- e) Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder.

9 DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the Shareholders of the Target Company at the Office of Gretex Corporate Services Limited at Office No. 13, 1st Floor, Bansilal Mansion, 9-15 Homi Modi Street, Fort, Mumbai, Maharashtra, India – 400 001 on Monday to Friday except bank holidays or the Public Shareholders of the Company may access the said documents on tinyurl.com/openoffersharadfibres and obtain the login credentials from the Manager, on any working day between 11:00 a.m. (Indian Standard Time) and 5:00 p.m. (Indian Standard Time) during the Tendering period.

- Certificate of Incorporation, Memorandum and Articles of Association of ECO HOLTELS UK PLC ("Acquirer")
- Certificate of Incorporation, Memorandum and Articles of Association of RED RIBBON ASSET MANAGEMENT PLC ("PAC")
- Firm Arrangement certificate issued by CA Sailesh Vaghjee (Individual ACCA License No.: 1788723), Partner of M/s SRV Delson, Chartered Certified Accountants and Statutory Auditors (Firm Registration No. 1073456) Chartered Accountants, certifying the adequacy of financial resources with the Acquirers to fulfil their part of Open Offer obligations.
- Networth certificate issued by CA Sailesh Vaghjee (Individual ACCA License No.: 1788723), Partner of M/s SRV Delson, Chartered Certified Accountants and Statutory Auditors (Firm Registration No. 1073456) Chartered Accountants, certifying the Networth of the ECO HOLTELS UK PLC ("Acquirer").
- Certificate issued by Kotak Mahindra Bank Limited, confirming the amount of Rs. 70,00,000/- (Rupees Seventy Lakhs Only) kept in the Escrow Account.
- Copies of the Public Announcement dated July 21, 2022 and published copy of the Detailed Public Statement, which appeared in the Newspapers on July 28, 2022.
- Audited Annual Reports / Accounts of the Target Company, Acquirer and PAC for the last 3 years.
- Copy of the Share Purchase Agreement dated July 21, 2022.
- A copy of the recommendation made by the Committee of Independent Directors (IDC) of the Target Company.
- Memorandum of Understanding between the Acquirers and Gretex Corporate Services Limited (Manager to the Offer).

- Copy of the Memorandum of Understanding between the Acquirers and Bigshare Services Private Limited (Registrar to the Offer).
- Observation letter received from SEBI in terms of Regulation 16(4) of the SEBI (AST) Regulations.

10 DECLARATION BY THE ACQUIRER

We have made all reasonable inquiries, accept responsibility for, and confirm that this LoF contains all information with regard to the Offer, which is material in the context of the issue. Further we confirm that the information contained in the Public Announcement, Detailed Public Statement and this LoF is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

We, the Acquirer are severally and jointly responsible for the information contained in this LoF and also for the obligations of the Acquirers as laid down in the SEBI (AST) Regulations and subsequent amendments made thereof. The Acquirers would be responsible for ensuring compliance with the concerned Regulations. All information contained in this LoF is as on date of the Public Announcement, unless stated otherwise.

We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 / the Companies Act, 2013 as amended and applicable and all the provisions of SEBI (AST) Regulations have been complied with and no statements in the Offer document is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 as amended and applicable and SEBI (AST) Regulations.

Signed by the Acquirer:

ECO HOTELS UK PLC

Sd/-

Mr. Suchit Punnose
Director

Date: October 06, 2022

Place: Mumbai

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

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

Public Shareholders holding Equity Shares in demat mode are not required to fill the Form of Acceptance cum Acknowledgment unless required by their respective Selling Broker.

All non-resident Public Shareholders (holding physical and, or, demat Equity shares) and resident Public Shareholders holding physical Equity Shares are mandatorily required to fill this Form of Acceptance cum Acknowledgement (**Form**). Such Public Shareholders are required to send this Form with enclosures, directly or through their respective Selling Broker, to the Registrar to the Offer at the address given below

| | |
|-----------------|---------------|
| From | |
| Name: | |
| Address: | |
| Tel No. | Email: |

| | |
|--|----------------------------|
| TENDERING PERIOD FOR THIS OFFER | |
| Opens on | Thursday, October 13, 2022 |
| Closes on | Friday, October 28, 2022 |

To,
The Acquirers
C/o Bigshare Services Private Limited
(CIN.: U99999MH1994PTC076534)
S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India
Tel.: +91 22 6263 8200
Email: openoffer@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Jibu John

Sub: Open Offer for the acquisition of up to 11,35,264 (Eleven Lakhs Thirty-Five Thousand Two Hundred and Sixty-Four Only) Equity Shares having face value of Rs. 10/- each, being constituting 26.00% of the Equity Share Capital of the Sharad Fibres & Yarn Processors Limited (“SHARDFI”) by Eco Hotels UK PLC (“Acquirer”) pursuant to and in compliance with regulation 3(1) & 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended.

Dear Sir(s),

I/We, refer to the Letter of Offer dated October 06, 2022 for acquiring the Equity Shares held by me/us in Sharad Fibres & Yarn Processors Limited.

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

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

| | | | |
|--|---------------------------------|------------------------------------|---------------------------------------|
| Name (in BLOCK LETTERS) | Holder | Name of the Shareholders(s) | Permanent Account Number (PAN) |
| (Please write names of the joint holders in the same order as appearing in the Equity Share certificate(s) for physical shareholders / as per demat account) | Sole / First | | |
| | Second | | |
| | Third | | |
| Contact Number(s) of the First Holder | Tel No. (with STD Code): | Mobile No.: | |
| | Fax No. (with STD Code): | | |
| Full Address of the First Holder (with Pin Code) | | | |
| Email Address of the First Holder | | | |
| Date of Incorporation (if applicable) | | | |

For all Public Shareholders holding Equity Shares in physical form

I/We, confirm that our residential status under the Income Tax Act is (✓ whichever is applicable):

- Resident
- Non-resident

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

| Sr. No. | Ledger Folio No. | Certificate No. | Distinctive Nos. | | No. of Equity Shares |
|--------------|------------------|-----------------|------------------|----|----------------------|
| | | | From | To | |
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| TOTAL | | | | | |

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

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

- Original Equity Share certificates.
- Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered Public Shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
- Photocopy of Transaction Registration Slip (TRS).
- Self-attested copy of PAN card of all the transferor(s).
- Self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license.
- Any other relevant document (but not limited to) such as power of attorney (if any person apart from the Public Shareholder has signed the Form), corporate authorisation (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.

Public Shareholders should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted.

For all Public Shareholders

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer, are free from liens, charges, equitable interests and encumbrances and will be transferred together with the rights attached thereto, including all rights to dividend, bonus and rights offer, declared by the Target Company after the acquisition by the Acquirers and that I / we have obtained any necessary consents to sell the Equity Shares on the foregoing basis.

I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my/our right to tender Equity Shares for Offer and that I / we am / are legally entitled to tender the Equity Shares for the Offer.

I / We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

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

I / We confirm that I /We are not persons acting in concert with the Acquirers.

I / We am / are not debarred from dealing in shares or securities.

In case of Public Shareholders holding Equity Shares in physical form, I/ we note and understand that the shares / original share certificate(s) and transfer deed(s) will be held by the Registrar to the Offer / Clearing Corporation in trust for me / us till the date Acquirers make payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), transfer deed(s) and other documents are dispatched to me / us, as the case may be. (Strikeout if not applicable).

I / We authorise Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer, and I / we further authorise Acquirers to return to me / us the Equity Shares (including the share certificate(s)) in respect of which the Open Offer is not found valid / not accepted without specifying the reasons thereof.

In case of Public Shareholders holding Equity Shares in physical form, I / we further agree to receive a single share certificate for the unaccepted Equity Shares in physical form (Strikeout if not applicable).

I / We give my/our consent to the Acquirers to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirers to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

In case of Public Shareholders holding Equity Shares in demat form, I / we note and understand that the Equity Shares would be kept in the pool account of my / our Selling Broker and the lien will be marked by Clearing Corporation until the settlement date whereby Acquirers make payment of consideration as mentioned in the Letter of Offer. (Strikeout if not applicable)

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

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, I / we will indemnify Acquirers for such income tax demand (including interest, penalty, etc.) and provide Acquirers with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We confirm that I / we are in compliance with the terms of the Offer set out in the PA, the DPS and the Letter of Offer.

Status of shareholders:

| | | | | |
|--|--|--|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Foreign Company | <input type="checkbox"/> FPI-Corporate | <input type="checkbox"/> FPI-Others | <input type="checkbox"/> Indian Company |
| <input type="checkbox"/> Foreign Trust | <input type="checkbox"/> Private Equity Fund | <input type="checkbox"/> Pension / Provident Fund | <input type="checkbox"/> Sovereign Wealth Fund | <input type="checkbox"/> Partnership / LLP |
| <input type="checkbox"/> Financial Institution | <input type="checkbox"/> NRIs / PIOs-repatriable | <input type="checkbox"/> NRIs / PIOs-non-repatriable | <input type="checkbox"/> OCB | <input type="checkbox"/> Indian Trust |
| <input type="checkbox"/> Banks | <input type="checkbox"/> FVCI | <input type="checkbox"/> Insurance Company | <input type="checkbox"/> Others – please specify: | |

In case of non-resident Public Shareholders, I / we confirm that our investment status is (please provide supporting documents and √ whichever is applicable):

- FDI route
- PIS route
- Any other – please specify

In case of non-resident Public Shareholders, I / We confirm that the Equity Shares tendered by me / us are held on (√ whichever is applicable):

- Repatriable basis
- Non-repatriable basis

In case of non-resident Public Shareholders, I / We confirm that (√ whichever is applicable):

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

In case of non-resident Public Shareholders, I / We confirm that (√ whichever is applicable):

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

Additional confirmations and enclosures for all shareholders, as applicable

I / We have enclosed the following documents:

- Self-attested copy of PAN card
- Self-declaration form in Form 15G / Form 15H, in duplicate copy
- Certificate from Income-tax Authorities for deduction of tax at lower or nil rate
- For Mutual funds / Banks / Notified Institutions under Section 194A (3)(iii) of the Income Tax Act, copy of relevant registration or notification
- 'Tax Residency Certificate' issued by the income tax authority of a foreign country of which he / it claims to be a tax resident, in case the Shareholder intends to claim benefit under the DTAA between India and that jurisdiction in which the Shareholder claims to be resident and a duly filled in 'Form 10F' as prescribed under the Income Tax Act. Such other information and documentation as may be required depending upon the specific terms of the relevant DTAA, including but not limited to a declaration of not having a permanent establishment in India.
- SEBI registration certificate issued to Category I or Category II Alternative Investment Funds if such fund intends to claim exemption from TDS under Section 197A(1F) of the Income Tax Act.

Bank Details

In case of Public Shareholders holding Equity Shares in physical form, kindly provide the following details:

| | |
|--------------------------------------|---|
| Name of Bank | |
| Branch Address & PIN Code | |
| Type of Account | Savings / Current / NRE / NRO / Others (Strike off whichever is not applicable) |
| Account Number | |
| 9 digit MICR Code | |
| IFS Code (for RTGS / NEFT) | |

In case of non-resident Public Shareholders holding Equity Shares in demat form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depository participant.

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

Yours faithfully,

| Signed and delivered | Full Name | PAN No. | Signature |
|--|------------------|----------------|------------------|
| 1st Public Shareholder | | | |
| 2nd Public Shareholder | | | |
| 3rd Public Shareholder | | | |

Note: In case of joint holders, all must sign. In case of body corporate, it must affix the corporate seal and also attach necessary corporate resolutions.

Place: _____

Date: _____

-----TEAR HERE-----

Acknowledgement Receipt – Sharad Fibres & Yarn Processors Limited – Open Offer

| |
|---|
| Received from Mr./Ms./M/s. _____ |
| Form of Acceptance cum Acknowledgement for Sharad Fibres & Yarn Processors Limited – Open Offer as per details below: (Delete whichever is not applicable) |
| Folio No. _____ No. of Equity Share certificates _____ for _____ Equity Shares |
| Copy of delivery instruction to depository participant of Client ID for _____ Equity Shares |

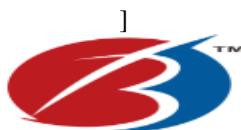
INSTRUCTIONS:

NO EQUITY SHARES / FORMS SHOULD BE SENT TO THE ACQUIRERS, THE MANAGER TO THE OFFER OR TO THE TARGET COMPANY.

1. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
2. The Form of Acceptance cum Acknowledgment should be filled up only in English.
3. In case of Equity Shares held in joint names, names should be filled up in the same order in the Form of Acceptance cum Acknowledgment and in the Equity Share transfer deed(s), in the order in which they hold Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.
4. Attestation, where required (as indicated in the Equity Share transfer deed) (thumb impressions, signature difference, etc.) should be done by a magistrate, notary public or special executive magistrate or a similar authority holding a public office and authorised to use the seal of his office or a member of a recognised stock exchange under its seal of office and membership number or manager of the transferor's bank.
5. If non-resident Public Shareholders had required any approval from the RBI or any other regulatory body in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer. Further, non-resident Public Shareholders must obtain all approvals required, if any, to tender the Equity Shares in this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer, and provide such other consents, documents and confirmations as may be required to enable Acquirers to purchase the Equity Shares so tendered. In the event any such approvals are not submitted; the Acquirers reserves the right to reject such Equity Shares tendered in this Offer.
6. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole / first named Public Shareholder(s) along with all the documents received from them at the time of submission.
7. All the Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
8. All documents / remittances sent by or to Public Shareholders will be at their own risk. Public Shareholders are advised to adequately safeguard their interests in this regard.

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

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



Bigshare Services Private Limited
(CIN.: U99999MH1994PTC076534)

**S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093,
Maharashtra, India**

Tel.: +91 22 6263 8200

Email: openoffer@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Jibu John

SEBI Registration No.: INR000001385

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Form No. SH-4
Securities Transfer Form

*[Pursuant to section 56 of the Companies act, 2013 and Sub-Rule (1) of Rule 11 of the
Companies (Share Capital and Debentures) Rules 2014]*

Date of Execution _____

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

CIN: L17110MH1987PLC043970

Name of the company (in full): SHARAD FIBRES AND YARN PROCESSORS LIMITED

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

Description of Securities:

| Kind/Class of securities (1) | Nominal value of each unit of security (2) | Amount called up per unit of security (3) | Amount paid up per unit of security (4) |
|---------------------------------|---|--|--|
| Equity Shares | Rs. 10/- each | Rs. 10/- each | Rs. 10/- each |

| No. of Securities being Transferred | | Consideration Received (Rs) | |
|-------------------------------------|----------|-----------------------------|----------|
| In figures | In words | In figures | In words |
| | | | |

| | | | | | |
|---------------------------------------|------|--|--|--|--|
| Distinctive Number | From | | | | |
| | To | | | | |
| Corresponding Certificate Nos: | | | | | |

| Transferor's Particulars | | | | | | | |
|---|-------------------|--|----------------------|--|--|--|--|
| Registered Folio Number | Name(s) in full | | Seller Signature (s) | | | | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| I, hereby confirm that the Transferor has signed before me. | | | | | | | |
| Name and Address of Witness | Witness Signature | | | | | | |
| | | | | | | | |

| Transferee's Particulars | | | | | |
|--------------------------|--|---------------|--|--|--|
| Name in full (1) | Father's / Mother's / Spouse's Name (2) | Address (3) | | | |
| | | | | | |
| Occupation (4) | Existing Folio No., if any (5) | Signature (6) | | | |
| | | | | | |

| Folio No. of Transferee | Specimen Signature of Transferee |
|-------------------------|----------------------------------|
| | |

Value of Stamp affixed: _____

Declaration:

(1) Transferee is not required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares;

or

(2) Transferee is required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.

Enclosures:

- (1) Stamps
- (2) Certificate of shares or debentures or other securities
- (3) If no certificate is issued, letter of allotment
- (4) Copy of PAN CARD of all the Transferees (For all listed companies)
- (5) Other, Specify _____

| For Office use only | Stamps |
|--|---------------|
| Checked by _____ | |
| Signature tallied by _____ | |
| Entered in the Register of Transfer on _____ vide Transfer No. _____ | |
| Approval Date _____ | |
| Power of attorney / Probate / Death Certificate / Letter of administration | |
| Registered on _____ at No. _____ | |

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