

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 TOWA SOKKI LIMITED. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER ("OFFER")

Pursuant to Regulations 3 (1) and 4 and applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto.

TO THE SHAREHOLDERS OF TOWA SOKKI LIMITED

(Hereinafter referred as "TSL" or "the Target Company" or "TC" or "the Company")

Having the Registered Office at FF-6, Amrapali Apartment, Near Air Force Station, Makarpura, Vadodara-390014, Gujarat, India, Phone No. +910265-2652851
(CIN: L51909GJ1993PLC019111)

Email: towasurvey@yahoo.co.in ; Website: www.towasokki.in

BY

Acquirer: Mr. Sudhir Mehta, S/o. Mr. Balu Mehta, aged about 46 years, is residing at Flat No. 403, 4th Floor, The Wadhwa Group, Vista-3, LBS Marg, Ghatkopar West, Mumbai – 400086, Maharashtra, India, Tel. No. +91-7045358684, Email: gkvalue@gmail.com (Hereinafter referred to as "the Acquirer")

TO ACQUIRE

Up to 11,84,248 (Eleven Lacs Eighty Four Thousand Two Hundred Forty Eight Only) Equity shares of Rs. 10/- each representing 26.00% of the existing equity and voting share capital of the Target Company at a price of Rs. 6.00/- per share ("Offer Price").

Please Note

1. This Offer is being made pursuant to the Regulation 3(1) and Regulation 4, of the SEBI (SAST) Regulations, 2011 and subsequent amendments thereof for substantial acquisition of shares / voting rights accompanied with change in control.
2. This Offer is not conditional upon any minimum level of acceptance by the shareholders of the Target Company.
3. As on date of this Letter of Offer, no statutory approvals are required.
4. **This offer is not a competing offer. The Last date for making such competing offer has expired.**
5. **There has been no competing offer or revision of Offer Price as on date of this Letter of Offer.**
6. 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 during the tendering period.
7. The Procedure for acceptance is set out in Para 8 of this LOF. A Form of Acceptance is enclosed with this LOF.
8. If there is any upward revision in the Offer Price by the Acquirer at any time prior to commencement of the last one working day before the commencement of the tendering period viz., **Friday, 16th April, 2021** you will be informed by way of another Announcement in the same newspapers in which the detailed Public Statement pursuant to Public Announcement was published. Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two working days by an Announcement in the same newspapers in which the Detailed Public Statement was appeared.
9. A copy of the Public Announcement, detailed Public Statement, Draft Letter of Offer and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) would also available on SEBI's Website: www.sebi.gov.in
10. All correspondence relating to this offer, if any, should be addressed to the Registrar to the Offer, viz. RCMC Share Registry Pvt. Ltd.

MANAGER TO THE OFFER



BEELINE BROKING LIMITED

CIN: U51900GJ2014PLC080598

SEBI Reg. No.: INM000012546

Contact Person: Mrs. Khusbu Shah

Registered Office Address: 701-702, A Wing, Samudra Complex,

7th Floor, Off. C.G. Road, Nr. Girish Cold Drinks,

Navrangpur Ahmedabad Gujarat-380009.

Merchant Banking Division: 807, Phoenix Tower, Opp. New Girish Cold Drinks, Near Vijay Cross Road, Navrangpura, Ahmedabad-380 009

Tel. No.: +91-79-48405357/6357;

Email: mb@beelinemb.com

Website: www.beelinebroking.com

REGISTRAR TO THE OFFER



RCMC Share Registry Pvt. Ltd

B-25/1, First Floor, Okhla Industrial Area, Phase II, New Delhi-110020

Tel No.: 011 26387320, 21

Fax No.: 011 26387322

Website: www.rcmdelhi.com

E-mail ID: towa.openoffer@rcmdelhi.com

Contact Person: Mr. Ravinder Dua

SEBI Registration No: INR000000429

OFFER OPENS ON: MONDAY, APRIL 19, 2021

OFFER CLOSES ON: MONDAY, MAY 3, 2021

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Activity	Date	Day
Public Announcement	February 17, 2021	Wednesday
Publication of Detailed Public Statement in newspapers	February 25, 2021	Thursday
Last date of filing draft letter of offer with SEBI	March 04, 2021	Thursday
Last date for a Competing offer	March 19, 2021	Friday
Receipt of comments from SEBI on draft letter of offer	March 26, 2021	Friday
Identified date*	March 31, 2021	Wednesday
Date by which letter of offer be posted to the shareholders	April 08, 2021	Thursday
Last Date by which the committee of the independent directors of the Target Company shall give its recommendation	April 15, 2021	Thursday
Last date for revising the Offer Price	April 16, 2021	Friday
Advertisement of Schedule of activities for open offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company	April 16, 2021	Friday
Date of Opening of the Offer	April 19, 2021	Monday
Date of Closure of the Offer	May 3, 2021	Monday
Last Date for completion of all requirements including payment of consideration	May 18, 2021	Tuesday

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

RISK FACTORS

A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

- 1) The Offer involves an offer to acquire up to 26% of the existing equity and voting share capital of TSL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- 2) In the event that (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, and then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of TSL whose Shares has been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI.
- 3) Shareholders should note that Equity Shares once tendered in the Offer with or without “Form of Acceptance-cum- Acknowledgement” (“FOA”) in the Offer, such shareholders will not be entitled to withdraw such acceptances. The acquisition of Open Offer Shares tendered in the Offer by NRIs and OCBs is subject to receipt of approval from RBI. NRIs and OCBs tendering Equity Shares in the Offer must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer (including without limitation the approval from RBI, since the Shares validly tendered in this Offer will be acquired by non-resident entities) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement (FOA).
- 4) The Equity Shares tendered in the Offer will be held in trust by the Buyer’s Broker until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company. Accordingly, the Acquirer makes no assurance with respect to the market price of the Equity

Shares both during the Offer Period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder of the Target Company on whether to participate or not to participate in the Offer.

- 5) This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Letter of Offer (“LOF”) resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. The Offer is not directed towards any person or entity in any jurisdiction or country where the Offer would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.
- 6) The Public Shareholders are advised to consult their respective legal and tax advisors for assessing the tax liability pursuant to the Offer, or in respect of other aspects, such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer does not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

B. IN ASSOCIATION WITH THE ACQUIRER

- 1) The Acquirer intends to acquire up to 11,84,248 (Eleven Lacs Eighty Four Thousand Two Hundred Forty Eight Only) fully paid-up equity shares of Rs.10/- each, representing 26.00% of the existing equity and voting share capital at a price of Rs. 6/- (Rupees Six Only) per equity share, payable in cash under the SEBI (SAST) Regulations.
- 2) The Acquirer makes no assurance with respect to the market price of the shares during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.
- 3) The Acquirer makes no assurance with respect to the financial performance of the Target Company.
- 4) Assuming full acceptance of 11,84,248 fully paid up equity shares, post offer public shareholding will be reduced to 2.75 % in the target company. Pursuant to Regulation 7(4) of SEBI (SAST) Regulations, 2011, Acquirer hereby undertakes to bring down the non-public shareholding to the level specified and within the time permitted under Securities Contract (Regulation) Rules, 1957 and also company shall bring the public shareholding to twenty five per cent within a maximum period of twelve months from the date of such fall in the manner specified by the Securities and Exchange Board of India. Any failure to do so could have an adverse effect on the price of the Equity Shares of the Target Company.
- 5) The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to “Rs.” are to the reference of Indian National Rupees (“INR”). Throughout this Letter of Offer, all figures have been expressed in “Lacs” 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.

Table of Contents

1.	DEFINITIONS	5
2.	DISCLAIMER CLAUSE	5
3.	DETAILS OF THE OFFER	6
4.	BACKGROUND OF THE ACQUIRER	9
5.	BACKGROUND OF THE TARGET COMPANY	10
6.	OFFER PRICE AND FINANCIAL ARRANGEMENTS	14
7.	TERMS AND CONDITIONS OF THE OFFER:	15
8.	PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:.....	16
9.	DOCUMENTS FOR INSPECTION.....	20
10.	DECLARATION BY THE ACQUIRER.....	21

1. DEFINITIONS

TERM	DESCRIPTION
Acceptance Date	The date on which bids /Equity Shares tendered in the Offer shall be accepted post verification
Acquirer	Mr. Sudhir Mehta
AOA	Articles of Association
Board	The Board of Directors of Target Company
BSE	BSE Limited
Buying Broker / Member	Tradenext Securities Limited
CIN	Corporate Identification Number
Detailed Public Statement or DPS	Public Statement of the Open Offer made by the Acquirer, which appeared in the newspapers on February 25, 2021
DLoO / DLOF or Draft Letter of Offer	The Draft Letter of Offer dated March 04, 2021 which was filed with SEBI for its observation.
Existing Share & Voting Capital	Paid up share capital of the Target Company i.e. Rs. 4,55,48,000 divided into 45,54,800 Equity Shares of Rs. 10 Each
EGM	Extra Ordinary General Meeting
EPS	Earnings Per Share which is Profit After Tax / No. of Equity Shares.
Form of Acceptance or FOA	Form of Acceptance cum Acknowledgement.
Identified Date	Wednesday, March 31, 2021
Listing Agreement	Listing agreement as entered by the Target Company with the BSE
LLP	Limited Liability Partnership
LOO / LOF or Letter of Offer	This Offer Document
Manager to the Offer or, Merchant Banker	Beeline Broking Limited
Negotiated Price	Rs. 6/- (Rupees Six Only) per fully paid-up Equity Share of face value of Rs. 10/- each.
Offer/Open Offer/ The Offer	Cash Offer to acquire up to 11,84,248 (Eleven Lacs Eighty Four Thousand Two Hundred Forty Eight Only) Equity Shares of Rs. 10/- each representing 26.00 % of the total equity and voting share capital of the Target Company, to be acquired by the Acquirer, at a price of Rs. 6/- per Equity share payable in cash
Offer Price	Rs. 6.00/- (Rupees Six Only) per fully paid up Share of Rs. 10/- each payable in cash.
PA/Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on February 17, 2021.
Persons eligible to participate in the Offer/ Shareholders	Registered shareholders of Towa Sokki Limited and unregistered shareholders who own the Shares of Towa Sokki Limited on or before the last date of tendering period is eligible to participate in the offer.
RBI	Reserve Bank of India
Registrar or Registrar to the Offer	RCMC Share Registry Pvt. Ltd
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations / the Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SPA	Share Purchase Agreement entered on February 17, 2021
Shares	Equity shares of Rs. 10/- (Rupees Ten only) each of the Target Company
Stock Exchange(s)	BSE Limited
TSL/Target Company/ TC	Towa Sokki Limited

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 LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF TSL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, 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 ACQUIRER 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 ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER TO THE OFFER, BEELINE BROKING LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 04, 2021 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER 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. The Acquirer has entered into Share Purchase Agreement with Sellers on February 17, 2021 for the acquisition of **32,45,000** fully paid-up equity shares of face value of Rs.10/- each representing 71.25 % of the total issued, subscribed, paid up capital and voting equity share capital of the Target Company at a Price of Rs.6/- (Rupees Six Only) per share aggregating to ₹ 1,94,70,000, (One Crore Ninety Four Lakhs and Seventy Thousand only) subject to the terms and conditions as contained in the SPA. Pursuant to SPA, the Acquirer shall hold majority of Equity Shares by virtue of which he shall be in a position to exercise control over management and affairs of the Target Company. This offer is made in terms of Regulations 3(1) and 4 of the Takeover Regulations.

3.1.2 Salient features of SPA are as follow:

SPA dated February 17, 2021 between Acquirer and Sellers for acquisition of 32,45,000 Equity Shares constituting 71.25% of the fully paid up and voting equity share capital along with control at a price of Rs. 6/- per Equity Share aggregating purchase consideration for sale shares shall be Rs. 1,94,70,000/- (Rupees One Crore Ninety Four Lakhs Seventy Thousand Only) as follows:

- i) A sum of Rs 75,00,000 (Seventy Five Lakhs only) as earnest Money or deposit would be to the Sellers simultaneously with the execution of the Share Purchase Agreement ;
- ii) A Sum of Rs. 1,19,70,000 (One Crore Nineteen Lakhs Seventy Thousand Only) would be paid at the time of completion of the Open Offer

The Acquirer reserves the right to nominate someone representing them to be a director on the Board of the Target Company during the offer Period in accordance with the Regulations by depositing 100% of the maximum consideration payable under the offer in Cash Escrow Account as required under Regulation 24(1) of the SEBI (SAST), Regulations.

- Acquirer and Sellers agree to take steps to comply with regulations and laws that may be required to give effect of transfer of sale shares.

3.1.3 Details of Parties to the SPA are as follow:

Name and Address of Acquirer entering in to SPA	Name of Sellers	Address of Sellers	Part of the Promoter / Promoter Group (Yes / No)	Details of shares / voting rights held by the Selling Shareholders prior to SPA	
				Pre Transaction	
				Number	%
Mr. Sudhir Mehta* Flat No. 403, 4th Floor, The Wadhwa Group, Vista-3, Lbs Marg, Ghatkopar West, Mumbai – 400086, Maharashtra, India	Mr. O.J. Bansal	33, Rambaug Society, Near Makarpura Bus Depo, Makarpura Road, Vadodara - 390010	Yes	10,66,200	23.41
	Mr. S.J. Bansal	25, Rushikesh Society, Opp. Novino Battery, Makarpura Road, Vadodara - 390010	Yes	7,14,500	15.69

Name and Address of Acquirer entering to SPA	Name of Sellers	Address of Sellers	Part of the Promoter / Promoter Group (Yes / No)	Details of shares / voting rights held by the Selling Shareholders prior to SPA	
				Pre Transaction	
				Number	%
	Ms. Sushila O. Bansal	33, Rambaug Society, Near Makarpura Bus Depo, Makarpura Road, Vadodara - 390010	Yes	6,71,500	14.74
	Ms. Suman S. Bansal	25, Rushikesh Society, Opp. Novino Battery, Makarpura Road, Vadodara - 390010	Yes	7,92,800	17.41
Total				32,45,000	71.25

**At present Mr. Sudhir Mehta is not holding Equity Shares of Target Company at the time of entering into SPA and are not forming a part of Promoter/Promoter Group of Target Company.*

- 3.1.4** This Open Offer is a "Mandatory Offer" under the Regulation 3(1) and 4 of the Takeover Regulations being made by the Acquirer for acquisition of 26.00% of the present issued, subscribed and paid up capital of Target Company. Consequent upon entering into SPA and assuming full acceptance under open offer, the post shareholding & voting rights of the Acquirer would come to 97.25% of the total paid up equity shares of the Target Company. Pursuant to the acquisition of equity shares and consequent changes in control of the Target Company contemplated under the SPA, this mandatory Open Offer is being made by the Acquirer in compliance with Regulations 3(1) and 4 and other applicable provisions of SEBI (SAST) Regulations, 2011 as amended.
- 3.1.5** The Acquirer intends to control over the Target Company & make changes in the Board of Directors of the Target Company.
- 3.1.6** The Acquirer does not propose to continue existing business of the Target Company and may diversify its business activities in future with prior approval of shareholders. The main purpose of this acquisition is to acquire complete management control of the Target Company. The Acquirer is engaged in the business of real estate development and by virtue of acquiring substantial stake and also the management control of the Target Company, the Acquirer intends to integrate some of their businesses with that of the Target Company thereby gaining an advantage of integration while additionally getting a ready listing platform.
- 3.1.7** The Acquirer has not acquired any equity shares/voting rights of the Target Company during the twelve (12) months period preceding the date of the Public Announcement.
- 3.1.8** The Acquirer does not hold any equity shares in the Target Company as of the date of this LOF.
- 3.1.9** The Manager to the Open Offer i.e. Beeline Broking Limited does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal on their own account in the Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.
- 3.1.10** Simultaneously, by virtue of triggering of Regulation 3(1) and 4 of the Regulations due to substantial acquisition along with the management control; the PA was submitted with BSE on 17th February, 2021, in compliance with Regulation 13(1) of the Regulations by the Acquirer. The PA was also submitted with SEBI and the Target Company in compliance with the Regulation 14(2) of the Regulations.
- 3.1.11** Upon completion of this Offer and assuming full acceptance, the Acquirer will hold 44,29,248 Equity Shares representing 97.25% of total paid up capital of the Target Company, thus, pursuant to this Open Offer, the public shareholding in the Target Company will be decreased from the Minimum Public Shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Acquirer undertake that it will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of Securities Contracts (Regulation) Rules, 1957 as amended, the Listing Agreement or corresponding provisions of the SEBI (LODR) Regulations, 2015 and the Regulation 7(4) and 7(5) of the SEBI (SAST) Regulations and will reduce the public shareholding within the time period mentioned therein.

- 3.1.12** As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company will 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.

3.2 Details of the Proposed Offer

- 3.2.1** The Acquirer has made a Detailed Public Statement pursuant to Public Announcement on February 25, 2021, in the following newspapers in accordance with the Regulation 14 (3) and pursuant to Regulation 3 (1) and 4 of SEBI (SAST) Regulations.

Name of the Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Loksatta Jansatta	Gujarati	Baroda/Vadodara
Mumbai Lakshadeep	Marathi	Mumbai

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in

- 3.2.2** The Acquirer is making this Open Offer under the SEBI (SAST) Regulations, to acquire up to 11,84,248 Equity Shares of Rs. 10/- each representing up to 26.00 % of the total equity and voting share capital of the Target Company from the Public Shareholders of Target Company on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 6.00/- per equity share payable in cash. These Shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all voting rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.3** There are no partly paid up Shares in the Target Company.
- 3.2.4** The Offer is not subject to any minimum level of acceptances from the Shareholders i.e. it is not a conditional offer.
- 3.2.5** The Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of equity shares or voting rights in, the Target Company.
- 3.2.6** The Acquirer has not acquired any Shares in the Target Company after the date of PA i.e. February 17, 2021, up to the date of Letter of Offer.
- 3.2.7** The Offer is subject to the terms and conditions set out herein and the PA and the DPS made by the Acquirer from time to time in this regard.
- 3.2.8** No competitive bid has been received as on date of this LOF.

Object of the Offer:

- 3.3.1** The Acquirer shall achieve substantial acquisition of Equity Shares and voting capital, accompanied with effective management control over the Target Company after completion of acquisition of the Sale Shares and the Open Offer.
- 3.3.2** The prime object of this acquisition is to acquire complete management control of the Target Company. The Acquirer is in to real estate development and by virtue of acquiring substantial stake and also the management control of the Target Company, the Acquirer intends to integrate some of their businesses with that of the Target Company thereby gaining an advantage of seeking business integration while additionally getting a ready listing platform subject to all requisite approval.
- 3.3.3** The Acquirer does not intend to continue the existing business of the Target Company subject to required approval in accordance with the laws applicable. The main purpose of takeover is to expand the Company's business activities in the same line through exercising the effective management and control over the Target Company.
- 3.3.4** The Acquirer intends to seek a reconstitution of the Board of Directors of the Target Company after successful completion of the Open Offer. The Acquirer reserves the right to nominate someone representing them to be a director on the Board of the Target Company during the offer

Period in accordance with the SEBI Takeover Regulations by depositing 100% of the maximum consideration payable under the offer in Cash Escrow Account as required under Regulation 24(1) of the SEBI (SAST), Regulations. The acquirer has already deposited cash of Rs. 72,00,000 (Seventy Two lakhs) in Escrow Account with Kotak Mahindra Bank Limited which is more than 100% of the maximum consideration payable under the open offer.

- 3.3.5** The Acquirer has intention to sell, dispose off or otherwise encumber any significant assets of Target Company and may also in the ordinary course of business of Target Company and future policy for disposal of assets, if any, for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of regulation 25(2) of SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.

4. BACKGROUND OF THE ACQUIRER

4.1 The details of the Acquirer is as follows:

Mr. Sudhir Mehta (Acquirer):

1. Mr. Sudhir Mehta, (hereinafter referred to as “Acquirer”), son of Mr. Balu Mehta is an Indian National aged about 46 years having PAN, AHVPM7543A and his residential address is Flat No. 403, 4th Floor, The Wadhwa Group, Vista-3, LBS Marg, Ghatkopar West, Mumbai – 400086, Maharashtra, India. His mobile number is +91-7045358684 and his Email id is: gkvalue@gmail.com. He is class 8th passed from Seth MK High School, Borivali, Mumbai Suburban in year 1989.
2. Acquirer carries a valid passport of Republic of India bearing number Z4232799 and also holds a Permanent Account Number (PAN) i.e.AHVPM7543A. Acquirer is having more than 15 years of experience in the field of real estate.
3. Acquirer does not belong to any group.
4. CA Vishwas Kalal (Membership No. 174542), Proprietor of Vishwas & Associates (FRN No. 143500W) Chartered Accountants, UDIN:21174542AAAAC66663 having his office at Unit No. 5B, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400053 has certified and confirmed that the individual Net Worth of Mr. Sudhir Mehta as on December 31, 2020 is Rs.10,76,72,452/- (Rupees Ten Crores Seventy Six Lakh Seventy Two Thousand Four Hundred and Fifty Two Only). Acquirer has sufficient liquid funds to fulfill the obligations under the Open Offer.
5. Acquirer does not hold any shares of Target Company as on the date of the PA and DPS, however he has agreed to buy 32,45,000 Equity Shares (Sale Shares) from current Promoter and Promoter group of Target Company through Share Purchase Agreement (SPA) dated 17th February, 2021.
6. As on the date of this LOF, Acquirer does not have any interest in Target Company, save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA.
7. Mr. Sudhir Mehta has been associated with Shraddha Landmark Private Limited, Shraddha Buildcon Private Limited, Shraddha Lifespaces Private Limited, Together Fitness Private Limited, Shraddha Life Spaces Private Limited, Bhavani Developers Private Limited as a Director & with Suji Builders And Developers LLP, Shraddha Divine Realtors LLP, Shraddha Apex LLP, Shraddha Fortune LLP, Shraddha Housing Projects LLP as a Partner, Shraddha Realty (Partnership Firm) and Nayak Realty (Partnership Firm) as a Partner and his DIN is 02215452

4.2 Declarations by the Acquirer

1. The Acquirer has not acquired any Equity Shares in the Target Company till the date of this LOF. Hence, compliance w.r.t. Chapter V of the Takeover Regulations, 2011 / Chapter II of the SEBI Takeover Regulations, 1997 is not applicable to them.
2. The Equity Shares tendered in this Offer will be acquired by Acquirer.
3. The Acquirer does not have any relations with the Target Company nor have any interest in the Target Company save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA by the Acquirer. Neither the Acquirer nor their representatives are on the board of the Target Company.

4. The Acquirer has not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act (the “SEBI Act”).
5. Acquirer has confirmed that they are not categorized as a “Willful Defaulter” in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011 nor they are categorized as a “Fugitive Economic Offender” in terms of Regulation (1)(ja) of the SEBI (SAST) Regulations, 2011.
6. The Acquirer has not entered into any non-compete arrangement and/or agreement with the Target Company or its management.
7. As on date of the LOF, the Acquirer is in compliance with Regulation 6A & Regulation 6B of the Takeover Regulations, 2011.
8. The Acquirer has undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement and its related conditions.
9. The Acquirer has undertaken that if he acquires any equity shares of the Target Company during the Offer Period, they shall inform the Stock Exchanges where the equity shares of the Target Company are listed the Target Company and the Manager to the Offer within 24 hours of the acquisition in compliance with regulation 18(6) of the SEBI (SAST) Regulations. Further, he has also undertaken that he will not acquire any equity shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the closure of the Tendering Period as per regulation 18(6) of the SEBI (SAST) Regulations.
10. The Acquirer undertakes that he will not sell the equity shares of the Target Company, if any held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations, 2011.

5. BACKGROUND OF THE TARGET COMPANY

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

- 5.1 Target Company was incorporated on March 10, 1993 under the Companies act, 1956 in the name and style as "Towa Sokki Limited" as a public Limited company and obtained the Certificate of Commencement of Business on March 19, 1993 by Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Corporate Identification Number is L51909GJ1993PLC019111.
- 5.2 The registered office of the Target Company is situated at FF-6, Amrapali Apartment, Near Air Force Station, Makarpura, Vadodara-390014, Gujarat, India. Email: towasurvey@yahoo.co.in; Website: www.towasokki.in. Currently, the TC is involved in the business of survey instruments.
- 5.3 As on the date of this LOF, Target Company has an Authorized Equity Share Capital of Rs. 9,00,00,000/- comprising of 90,00,000 (Ninety Lakhs) Equity Shares of Rs. 10/- each. The Issued, Subscribed and paid up share capital of Target Company is Rs. 4,55,48,000/- (Rupees Four Crores Fifty Five Lakhs Forty Eight Thousand Only) comprising of 45,54,800 (Forty Five Lakhs Fifty Four Thousand Eight Hundred) Equity Shares of Rs.10/- each. The ISIN of TSL is **INE311M01018**.
- 5.4 As on date, the Target Company does not have any partly paid-up equity shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No shares are subject to any lock in obligations.
- 5.5 The entire present and paid up Equity Shares of the Target Company is currently listed on BSE Limited, Mumbai ("BSE"). The Equity Shares of the Target Company were listed on BSE w.e.f. June 3, 1996.
- 5.6 The shares of the Target Company are listed on of BSE Limited (“BSE”) having scrip code and id is **531771** and **TOWASOK** respectively. The Equity Shares of Target Company are In-frequently traded on BSE in terms of Regulation 2 (1) (j) of the Takeover Regulations.
- 5.7 The Company has complied with the requirements of the Listing Agreement with BSE and as on date no penal action has been initiated by the BSE. However Target Company has paid penalty for non compliance under Regulation 23 (9) of SEBI (LODR) Regulation 2015 for disclosure of related party transaction.

5.8 The details of Share Capital of Target Company are as follows:

Paid up Equity Shares of TSL	No. of Equity Shares/ Voting rights	% of Shares / voting rights
Fully paid-up Equity Shares	45,54,800	100.00
Partly paid-up Equity Shares	NIL	NIL
Total Equity Shares	45,54,800	100.00
Total Voting Rights in the Target Company	45,54,800	100.00

5.9 As on date of this LOF, the Board of Directors of TSL are as follows:

Name	Designation	Experience in years and field	Date of Appointment
Mr. Omprakash J. Bansal DIN: 01488025 PAN: ACBPB9225B	Managing Director	47 Years	10/03/1993
Mr. Satyanarayan J. Bansal DIN: 01364898 PAN: ACBPB9228N	Whole Time Director	47 Years	10/03/1993
Ms. Sushila O. Bansal DIN: 01488071 PAN: ACBPB9227D	Non Executive Director	31 Years	10/03/1993
Mr. Ajay Kumar Pithi DIN: 00866809 PAN: AFCPP1580P	Independent Director	32 Years	30/05/2019
Ms. Alka Agarwal DIN: 08467037 PAN: ANRPA9023H	Independent Director	11 Years	30/05/2019
Heeralal Barot DIN: 06920366 PAN: ABCPB3825F	Independent Director	53 Years	27/09/2019

5.10 The Share of Target Company has been forfeited in the year of 2015-16, except the said forfeiture, there has been no merger, de-merger and spin off in the last three years in the Target Company.

5.11 Brief financial information of TSL for the financial year ended on March 31, 2018, 2019, 2020 and Half year ended September 30, 2020 are given below:

Profit & Loss Statement	(Rs. in Lakhs)			
	Half Year Ended 30.9.2020 (Unaudited)	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)	Year Ended 31.03.2018 (Audited)
Revenue from Operations	1.35	3.52	6.56	9.41
Other Income	3.27	8.57	8.30	134.40
Total Income	4.61	12.09	14.86	143.81
Total Expenditure (Excluding Depreciation and Interest)	15.62	28.23	37.29	395.98
Profit (Loss) before Depreciation, Interest & Tax	-11.01	-16.14	-22.43	-252.16
Depreciation	0.13	0.27	0.27	0.18
Interest		0.00	0.00	0.00
Profit / (Loss) before Tax	-11.14	-16.41	-22.70	-252.35
Tax Expenses	-	0.20	-0.03	0.00
Profit / (Loss) after Tax	-11.14	-16.61	-22.67	-252.35

(Rs. in Lakhs)

Balance Sheet	Half Year Ended 30.09.2020 (Unaudited & Limited Review)	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)	Year Ended 31.03.2018 (Audited)
Sources of Funds				
Paid up Share Capital	644.75	644.75	644.75	644.75
Other Equity	-514.23	-503.09	-486.48	-463.81
Net Worth	130.52	141.66	158.27	180.94
Secured Loan (Non-Current)	0.00	0.00	0.00	0.00
Unsecured Loan (Non-Current)	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00
Total Source of Funds	130.52	141.66	158.27	180.94
Application of Funds				
Net Fixed Assets	6.25	6.67	6.94	7.21
Investments (Non-Current)	0.00	0.00	0.00	0.00
Other Non-Current Assets	1.06	0.81	2.31	1.58
Total Current Assets	126.43	137.60	150.39	173.38
Total Current Liabilities	-3.22	-3.43	-1.38	-1.23
Net Current Assets	123.21	134.17	149.01	172.15
Miscellaneous Expenses not written off/ Preliminary Expenses	-	-	0.00	0.00
TOTAL	130.52	141.66	158.27	180.94
Contingent Liabilities				
Other Financial Data				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings Per Share in (in ₹) (Basic & Diluted)	(0.24)	(0.36)	(0.50)	(5.54)
Return on Net worth (%)	(8.54%)	(11.73%)	(14.32%)	(139.47%)
Book Value Per Share (in ₹)	2.87	3.11	3.47	3.97

5.12 The current capital structure of the Company has been built up since inception, are as under:

Date of allotment	No. of shares issued	No. of shares issued in % (of then capital)	Cumulative No. of Shares	% to total share capital	Face Value	Cumulative paid up capital (in Rs.)	Mode of Allotment	Identity of allottees (Promoters/ Others)	Status of Compliance
Upto 31/12/1995 [^]	25,00,000	100.00	25,00,000	100.00	10	2,50,00,000	Cash	Promoters & Promoter Group	Not applicable as Before IPO i.e. Listing of Equity Shares
09-04-1996	50,40,100	66.84	75,40,100	100.00	10	7,54,01,000	Cash	Public	Received in IPO and Call Money on 1254800 Equity Shares received in various stages remaining Equity Shares forfeited after due compliance through the various calls made on April 09,

Date of allotment	No. of shares issued	No. of shares issued in % (of then capital)	Cumulative No. of Shares	% to total share capital	Face Value	Cumulative paid up capital (in Rs.)	Mode of Allotment	Identity of allottees (Promoters/ Others)	Status of Compliance
									1996, October 01, 1996 and March 07, 2011 to the shareholders.
24-05-2013	8,00,000	9.59	83,40,100	100.00	10	8,34,01,000	Cash	Promoters & Promoter Group and Public	Preferential Shares Issued
04-03-2016	37,85,300	-45.39	45,54,800	100.00	10	4,55,48,000	-	0	Forfeiture of Shares

^ Relevant backup for Date of allotment is not in record.

5.13 There has been no non-compliance in relation to the applicable provisions of SEBI (SAST) Regulations, 2011 by the Promoters and Promoter Group and Target Company in last 10 years. SEBI may take appropriate action against the Promoters and Promoter Group for the non-compliance made if any in future.

5.14 Pre- and Post-Offer shareholding pattern of the TSL is as per the following table:

Sr. No.	Shareholder category	Shareholding & voting rights prior to the agreement/acquisition and offer		Shares/voting rights agreed to be acquired pursuant to SPA which triggered off the Takeover Regulations		Shares/Voting rights to be acquired in the open offer (assuming full acceptances)		Shareholding/voting rights after the acquisition and Offer	
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
		No.	%	No.	%	No.	%^	No.	%^
1	Promoter & Promoter Group								
	a. Parties to Agreement	32,45,000	71.25	32,45,000	71.25	-	-	-	-
	b. Promoters Other than (a) above	45,100	0.98	-	-	-	-	45,100*	0.98
	Total 1 (a+b)	32,90,100	72.23	32,45,000	-71.25	-	-	45,100	0.98
2	Acquirer								
	a) Acquirer	-	-	32,45,000	71.25	11,84,248	26.00	44,29,248	97.25
	Total of 2 (a)			32,45,000	71.25	11,84,248	26.00	44,29,248	97.25
3	Parties to agreement other than (1)	-	-	-	-	-	-	-	-
4	Parties (other than promoters / Acquirer								
	a. Fis/MFs/FIIs/ Banks/SFI	0	-	-	-	-	-	0	-
	b. Others	12,64,700	27.77	Nil	Nil	-11,84,248	-26.00	80,452	1.77
	Total (4)(a+b)	12,64,700	27.77	Nil	Nil	-11,84,248	-26.00	80,452	1.77
	Grand Total (1+2+3+4)	45,54,800	100.00			-11,84,248	-26.00	1,25,552	2.75

^ Sushila R. Bansal, Vikas Goyal, R.J. Bansal, Raksha K. Agarwal, Jaidevi Goyal, Bhavita O. Bansal and Preeti S. Bansal holding 41,600 Equity Shares, 500 Equity Shares, 3000 Equity Shares and others NIL Equity Shares respectively will reclassify from "Promoter and Promoter Group" Category to "Public" Category as per Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the notice has been approved on board meeting dated October 29, 2020 however the same is not yet approved in the General meeting.

5.15 The number of Shareholders in TSL in public category is 304 as on date of February 26, 2021 (Latest benpos date).

5.16 The Company is not a sick Company.

5.17 Status of corporate governance compliances by TSL:

The Corporate Governance clauses as enumerated in Regulation 17 to 27 in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to Target Company.

5.18 Ms. Avni Chouhan is the Compliance Officer of the Target Company, vide address at FF-6, Amrapali Apartment, Near Air Force, Makarpura, Vadodara, Gujarat, 390014. Phone No. 0265-2652851, Email id: towasurvey@yahoo.co.in.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The Equity Shares of Target Company are currently listed and traded on and on BSE Limited (BSE) with symbol as "TOWASOK" Scrip code 531771.

6.1.2 The equity shares of the Target Company are in-frequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations on BSE.

The annualized trading turnover of the equity shares of the Target Company on BSE during Twelve calendar months of PA (February, 2020 to January, 2021) is as given below:

Name of the Stock Exchange	Total number of equity shares traded during the preceding 12 months prior to the month of PA	Total Number Equity Shares listed	Annualized Trading Turnover (as % of total Listed Equity Shares)
BSE	2,494	45,54,800	0.05%

(Source:BSE Limited).

6.1.3 The Offer Price of Rs. 6.00/- (Rupees Six only) is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations on the basis of the following:

A	Highest Negotiated Price per equity share for any acquisition under the Agreement attracting the obligation to make the PA	Rs.6.00
B	The volume-weighted average price paid or payable for acquisition during the 52 week immediately preceding the date of the PA	Not Applicable
C	The highest price paid or payable for any acquisition during 26 weeks period immediately preceding the date of PA	Not Applicable
D	The volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on Stock Exchanges	Not Applicable
E	Where the shares are not frequently traded, the price determined by Acquirer and the Manager taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares of such companies	2.70*

**The Fair Value of equity share of the Target Company is Rs. 2.70/- (Rupees Two and Paise Seventy only) per Equity Share as certified by FCA Payal Gada (Membership No. 110424), Partner of Payal Gada & Co., Chartered Accountants (Firm Registration No. 148529W), UDIN: 21110424AAAABD6308 having their office situated at S-15, 2nd floor, Sej Plaza, Marve Road, Malad (West); Tel.No.+ :(022)28012075; Fax No.NA, Email: payal@payalgada.co.in, vide valuation certificate dated February 17, 2021. The valuer has considered the valuation methods and the weightage to valuation results under each method as ratified by Hon'ble Supreme Court in Tomco-HLL's Merger case.*

6.1.3 There has been no corporate action requiring the price parameters to be adjusted.

6.1.4 If the Acquirer acquires or agree to acquire any whether by himself or through any person(s) acting in concert any Equity Shares of the Target Company during the offer at a price higher than the Offer Price, then the Offer price shall stand revised to highest price paid or payable for such acquisition.

6.1.5 If the Acquirer acquires Equity Shares of the Target Company during the period of twenty-six weeks after the closure of Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the

difference between the highest acquisition price and the Offer Price, to all shareholders whose Equity Shares have been accepted in this 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 Takeover Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.

- 6.1.6 As on date of this LOF, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer shall comply with all the provisions of the Regulation 18(5) of the Takeover Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 6.1.7 If there is any revision in the Offer Price on account of future purchases / competing offers, it will be done only upto one working days prior to the date of commencement of the Tendering Period in accordance with Regulation 18(4) of the Takeover Regulations and would be notified to the shareholders by way of another public announcement in the same newspapers where the DPS has appeared.

6.2 Financial Arrangements

- 6.2.1 Assuming full acceptance under the offer, the maximum consideration payable by the Acquirer under the offer would be ₹ 71,05,488/- (Indian Rupees Seventy One Lakhs Five Thousand Four Hundred Eighty Eight Only) ("maximum consideration") i.e. consideration payable for acquisition of 11,84,248 equity shares of the target Company at offer price of Rs. 6.00/- per Equity Share.
- 6.2.2. The Acquirer has adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirer.
- 6.2.3 In accordance with Regulation 17(1) of the Takeover Regulations, the Acquirer has opened an escrow cash account with Kotak Mahindra Bank Limited in name and Style " Towa Open Offer Cash Escrow Account", and have made a cash deposit of Rs. 72,00,000 (Rupees Seventy Two Lacs Only) in the Escrow Cash Account. The cash deposited in Escrow Cash Account represents more than 100% of the total consideration payable to the Equity Shareholders under this Offer. The Acquirer has empowered the Manager to the Offer to operate and to realize the value of the Escrow Account in terms of Regulation 21(1) of the SEBI (SAST) Regulations.
- 6.2.4 The Manager to the Offer has been duly authorized Manager to the Offer to realize the value of the aforesaid Escrow in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5 Further, in order to ensure that the funds that are payable to the Eligible Public Shareholders who tender in the Offer are managed more efficiently, the Acquirer has opened the Offer Special Account with the Kotak Mahindra Bank Limited under the Offer Escrow Agreement, for the purpose of Regulation 21 of the SEBI (SAST) Regulations. The Manager to the Offer has been authorized by the Acquirer to operate and realize the monies lying to the credit of the Offer Special Escrow Account, in accordance with the SEBI (SAST) Regulations.
- 6.2.6 The Networth of Mr. Sudhir Mehta as on December 31, 2020 is Rs.10,76,72,452 /- (Rupees Ten Crores Seventy Six Lakh Seventy Two Thousand Four Hundred and Fifty Two Only) and the same is certified by CA Vishwas Kalal (Membership No. 174542), Proprietor of Vishwas & Associates (FRN No. 143500W, UDIN: 21174542AAACT66663 Chartered Accountants having his office at Unit No. 5B, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400053 vide his certificate dated February17, 2021 and has sufficient liquid funds as on date to fulfill his monetary obligations under this open offer.
- 6.2.7 Based on the above and in the light of the escrow arrangement, the Manager to the Open Offer is satisfied that the firm arrangements have been put in place by the Acquirer to fulfill their obligations through verifiable means in relation to the Offer in accordance with the SEBI (SAST) Regulations, 2011. The Manager to the Offer, Beeline Broking Limited, hereby confirms that the Acquirer is capable to implement the Offer obligations in accordance with the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER:

- 7.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be (mailed or through physical mode) to all public shareholders of TSL (except the Acquirer, Seller and Members of Promoter & Promoter group) whose name appear on the Register of Members, at the close of business hours on March 31, 2021 (Wednesday) ("**Identified Date**").
- 7.2. All owners of the shares, Registered or Unregistered (except the Acquirer, Seller and Members of Promoters & Promoter group) who own the shares any time prior to the Closing of the Offer are eligible to participate in

the Offer as per the procedure set out in Para 8 below. Eligible Persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

7.3. The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. While it would be insured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt the Letter of Offer by any member entitled to this open offer will not invalidate the Offer in any manner whatsoever.

7.4. Subject to the conditions governing this Offer, as mentioned in the LOF, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

7.5. Locked-in Shares:

There are no locked-in shares in TSL.

7.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirer, Sellers and Members of Promoter & Promoter group) whose names appeared in the register of shareholders at the close of the business hours as on Identified date i.e. March 31, 2021 (Wednesday) and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7. Statutory Approvals and conditions of the Offer:

7.7.1. To the best of knowledge and belief of the Acquirer, as of the date of this LOF, there are no statutory approvals required for this Offer. However, if any statutory approval that become applicable prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.

However, if any other statutory approvals are required or become applicable prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.

7.7.2. Non-resident equity shareholders who wish to tender their equity shares in the Target Company in this Offer will be required to submit all the applicable Reserve Bank of India (hereinafter referred to as "RBI") approvals that they would have obtained for acquiring, the equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the equity shares tendered in the Offer."

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

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

7.7.5. No approval is required from any bank or financial institutions for this Offer.

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

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:

8.1. The Open offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("Acquisition Window") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.

8.2. BSE Limited ('BSE') shall be the Designated Stock Exchange for the purpose of tendering equity shares in the Open Offer.

- 8.3. The facility for Acquisition of shares through Stock exchange Mechanism pursuant to an Open Offer shall be available on the BSE in the form of Separate Window (“Acquisition Window”).
- 8.4. The Acquirer has appointed Tradenext Securities Limited, Stock Broker for the open offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made. The contact details of the buying broker are as mentioned below:

Name	Tradenext Securities Limited
Address	Flat No. 1301, Satyam Majestic, Plot no. 28, Sector 18, Ulwe, Panvel, Raigarh, Maharastra-410 206
Tel.	9833913065
E-mail ID	ashok.singh@espscapital.com
Contact Person	Mr. Ashok Kumar Singh

- 8.5. All the shareholders who desire to tender their equity shares under the Open Offer will have to intimate their respective stock brokers (“Selling Brokers”) within the normal trading hours of the Secondary Market, during the Tendering period.
- 8.6. Such shares would be transferred to a special account of the clearing corporation specifically created for this purpose prior to placing the bid. The stock brokers shall also forward to the Clearing Corporation such details regarding the shares tendered as may be required by the Merchant Banker.
- 8.7. A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling broker can enter orders for dematerialized as well as physical Equity shares.
- 8.8. The cumulative quantity tendered shall be displayed on the Exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering period.
- 8.9. Shareholders can tender their shares only through a Broker with whom the shareholder is registered as client.
- 8.10. **Procedure for tendering shares held in Dematerialized Form.**
- The Equity shareholders who are holding the equity shares in demat form and who desire to tender their Equity shares in this offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Open Offer.
 - The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
 - For custodian participant, orders for demat equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
 - The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/ Clearing Corporation, before the opening of the Offer.
 - Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“TRS”) generated by the Exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
 - The shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The shareholders holding Equity shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement. The shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

8.11. Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:

As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the

Offer can do so only after the Equity Shares are dematerialised. Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialised.

- 8.12. Modification/Cancellation of orders will not be allowed during the period the Offer is open.
- 8.13. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the tendering period
- 8.14. **Procedure for Tendering the Shares in case of Non-Receipt of this 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 those who have not received the letter of offer, may also participate in this Offer. A shareholder may participate in the Offer by approaching their broker and tender Equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as on the Identified date. In case of non-receipt of this Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or Merchant Banker website (www.beelinebroking.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity shares of the Target Company. Alternatively in case of non-receipt of this Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered. Such Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.

- 8.15. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in this Offer. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the shareholders are advised to adequately safeguard their interest in this regard.

8.16. **Acceptance of Equity**

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 Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a 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 Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favor of Clearing Corporation.
- b) The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders.

8.18. **Settlement of Funds/ Payment Consideration**

The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling

Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

8.19 NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 AND THE REGULATIONS THEREUNDER. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS AND THE DOUBLE TAXATION AVOIDANCE AGREEMENTS (“DTAA”) WITH RESPECTIVE COUNTRIES. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER AND MANAGER TO OFFER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS SUMMARY. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS SUMMARY OF INCOME TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF EQUITY SHARES IN THE OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA AS SET OUT ABOVE AND THE SAME SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1.1 The basis of charge of Indian income-tax depends upon the residential status of the person subject to tax (“Taxpayer”) during a Financial Year and the taxpayer has to pay their taxes in the following year (Assessment Year). The Financial Year for Indian Residents starts from April 01 and ends on March 31. A person who is a resident in terms of Indian Income Tax Act, 1961, (“IT Act”) he is liable to pay income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act itself. A person who is treated as a non-resident for the purpose of Indian income-tax purposes is generally subject to tax in India only on such person’s India sourced income (i.e. income which accrues or arises or deemed to be accrued or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the “Situs” of such shares. “Situs” of the shares is generally where a company is “incorporated”.

1.2 Accordingly, since the Target Company is incorporated in India, the Target Company’s shares should be deemed to be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under IT Act.

1.3 A Taxpayer who is non-resident for tax purpose under Indian IT Act can avail benefits of the Double Taxation Avoidance Agreement (“DTAA”), between India and the respective country of which the Taxpayer is a resident for tax purpose subject to satisfying relevant conditions including:

1. those set out in limitation of benefits provisions present in the said DTAA (if any),
2. the non-applicability of General Anti-Avoidance Rules, and
3. providing and maintaining necessary information and documents as prescribed under the Income-tax Act.

1.4 The summary of income-tax implications on tendering of listed equity shares on the recognized stock exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

1.5 As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge and health and education cess are also leviable. The applicable rate of surcharge is dependent on the category of the shareholder and for individual shareholders, income slab rates is applicable. The health and education cess is levied at the rate of 4% of the income tax and surcharge.

1.6 Gains arising from the transfer of equity shares may be treated either as “Capital Gains” or as “Business Income” for income-tax purposes, depending upon whether such equity shares were held as a capital asset or business asset (i.e. stock-in-trade).

1.7 The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.

1.8 Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the financial year. The summary of income tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.

Taxability of Capital Gain in the hands of the Public Shareholders:

1. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to Securities Transaction Tax (“STT”) upon both buy and sale (subject to certain transactions, yet to be notified, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable). Under this provision the Capital Gains tax would be computed on gains exceeding ₹1,00,000 (Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any Capital Gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
2. As per section 111A of the IT Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Public Shareholders (except certain specific categories).
3. Any applicable surcharge and education cess would be in addition to above applicable tax rates.
4. In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer.
5. In case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealers/ tax advisors appropriately.

THE TAX IMPLICATIONS ARE BASED ON PROVISIONS OF THE IT ACT AS APPLICABLE AS ON DATE OF THIS LETTER OF OFFER. IN CASE OF ANY AMENDMENT MADE EFFECTIVE PRIOR TO THE DATE OF CLOSURE OF THIS OFFER, THEN THE PROVISIONS OF THE IT ACT AS AMENDED WOULD APPLY. NOTWITHSTANDING THE DETAILS GIVEN ABOVE, ALL PAYMENTS WILL BE MADE TO THE PUBLIC SHAREHOLDERS SUBJECT TO COMPLIANCE WITH PREVAILING TAX LAWS. THE FINAL TAX LIABILITY OF THE PUBLIC SHAREHOLDER SHALL REMAIN OF SUCH PUBLIC SHAREHOLDER AND THE SAID PUBLIC SHAREHOLDER WILL APPROPRIATELY DISCLOSE THE AMOUNTS RECEIVED BY IT, PURSUANT TO THIS OFFER, BEFORE THE INDIAN INCOME TAX AUTHORITIES.

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the Merchant Banking Division office of the Manager to the Offer at Beeline Broking Limited 807, Phoenix Tower, Opp. New Girish Cold Drinks, Near Vijay Cross Road, Navrangpura, Ahmedabad-380 009 from 11.30 a.m. to 2.30 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

9.1 Certificate of Incorporation, Memorandum and Articles of Association of Towa Sokki Limited.

9.2 CA Vishwas Kalal (Membership No. 174542), Proprietor of Vishwas & Associates (FRN No. 143500W, UDIN: 21174542AAAAC66663 Chartered Accountants having his office at Unit No. 5B, Laxmi Plaza,

Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400053 vide his certificate dated February 17, 2021 certifying the Net worth of Acquirer and the same is certified by them that he has sufficient liquid funds as on date to fulfill his monetary obligations under this open offer vide certificate dated February 17, 2021 having UDIN: 21174542AAAACU3562.

- 9.3 Annual Reports of Towa Sokki Limited for years ended on March 31, 2018, 2019 and 2020 and Un-Audited limited reviewed Financials for the half year ended on September 30, 2020.
- 9.4 Copy of the Share Purchase Agreement dated February 17, 2021 entered into between the Acquirer and the Sellers.
- 9.5 Copy of Public Announcement dated 17th February, 2021 and published copy of the Detailed Public Statement, which appeared in the newspapers on 25th February, 2021.
- 9.6 Confirmation letter from Kotak Mahindra Bank Limited w.r.t. the cash deposit of Rs. 72,00,000 (Rupees Seventy Two Lakhs) kept in Escrow Account opened as per the Regulations and empowering Manager to the Offer.
- 9.7 Copy of Recommendation made by Committee of Independent Directors of TSL dated [●].
- 9.8 Copy of the letter no. SEBI/HO/CFD/DCR-III/OW/7195 received from SEBI dated March 26, 2021 containing its comments on this Letter of Offer in terms of provisions of Regulation 16(4) of SEBI (SAST) Regulations.

10. DECLARATION BY THE ACQUIRER

10.1 I 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, that the information contained in 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.

10.2 I am responsible for ensuring compliance with the Takeover Regulations and the obligations as stated under the Takeover Regulations. All information contained in this document is true and correct as on date of the PA, DPS and this LOF, unless stated otherwise.

10.3 The Manager to the Offer hereby states that the person signing this letter of Offer is Acquirer duly authorized to sign this Letter of Offer.

Signed By:

**Sd/-
Sudhir Mehta (Acquirer)**

**Place: Mumbai
Date: April 05, 2021**

Encl: Form of Acceptance-Cum-Acknowledgement

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

OFFER OPENS ON: MONDAY, APRIL 19, 2021
OFFER CLOSSES ON: MONDAY, MAY 3, 2021

From:
Name:
Address:

Status: Resident/ Non Resident

To,
RCMC Share Registry Pvt. Ltd
B-25/1, First Floor, Okhla Industrial Area, Phase II,
New Delhi-110020, Delhi.
Tel No.: 011 26387320, 21
Fax No.: 011 26387322
E-mail ID: towa.openoffer@rcmcdelhi.com

Dear Sir,

Sub.: OPEN OFFER FOR ACQUISITION OF UP TO 11,84,248 (ELEVEN LACS EIGHTY FOUR THOUSAND TWO HUNDRED FORTY EIGHT ONLY) FULLY PAID UP EQUITY SHARES OF ₹ 10 EACH REPRESENTING 26.00% OF EQUITY SHARE CAPITAL/VOTING CAPITAL AS OF THE TENTH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD OF THE OPEN OFFER FROM THE ELIGIBLE SHAREHOLDERS OF THE TOWA SOKKI LIMITED (“TSL”) FOR CASH AT A PRICE OF RS. 6.00 (RUPEES SIX ONLY) PER EQUITY SHARE (“OFFER PRICE”), BY MR. SUDHIR MEHTA (“ACQUIRER”) WITH AN INTENTION TO ACQUIRE CONTROL OF THE TARGET COMPANY.

I/We refer to the Letter of Offer dated April 05, 2021 for acquiring the Equity Shares held by me/us in TSL.

I/We, the undersigned, have read the Letter of Offer, Detailed Public Statement and understood their contents including the terms and conditions and procedure as mentioned therein and unconditionally accept such terms and conditions.

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

Details of Public Shareholder:

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

For all Eligible Public Shareholders

1. I / We confirm that the Offer Shares which are being tendered herewith by me / us under this Open Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.
2. I / We have obtained any and all necessary consents to tender the Offer Shares on the foregoing basis.
3. 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 Offer Shares in this Open Offer and that I/we am/are legally entitled to tender the Offer Shares in this Open Offer.
4. I / We agree that the Acquirer will pay the consideration as per secondary market mechanism only after verification of the certifications, documents and signatures, as applicable submitted along with this Form of Acceptance. I / We undertake to return to the Acquirer any Open Offer consideration that may be wrongfully received by me / us.
5. I/We declare that regulatory approvals, if applicable, for holding the Offer Shares and/or for tendering the Offer Shares in this Open Offer are enclosed herewith.
6. I / We confirm that I / We are not persons acting in concert or persons deemed to be acting in concert with the Acquirer or the Seller.
7. I / We give my/our consent to the Acquirer to file any statutory documents on my/our behalf in relation to accepting the Offer Shares in this Open Offer.
8. I / We confirm that I / we are in compliance with the terms of the Open Offer set out in the PA, the DPS, and the LOF.
9. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer to effectuate this Open Offer in accordance with the SEBI (SAST) Regulations.
10. I / We are / am not debarred from dealing in shares or securities.
11. I / We confirm that there are no taxes or other claims pending against me / us which may affect the legality of the transfer of Offer Shares under the Income Tax Act, including but not limited to section 281 of the Income Tax Act.
12. I / We note and understand that the Equity Shares would be kept in the pool account of my / our Selling Broker and the lien will be marked by Clearing Corporation until the settlement date whereby Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.
13. I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Offer Shares or any other payments, I / we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co- operate in any proceedings before any income tax / appellate authority.
14. I / We authorise the Acquirer to accept the Offer Shares so offered or such lesser number of Offer Shares which the Acquirer may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the LOF. I / we further authorize the Acquirer to return to me / us, Equity Shares in respect of which this Open Offer is not found valid / not accepted without specifying the reasons thereof.

The bank account details for the purpose of payment of consideration will be taken from the record of the depositories.

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

I/We, confirm that my/ our status as a shareholder is (✓ whichever is applicable)

Individual	Foreign Company	FPI - Corporate	FPI - Others	FVCI
Foreign Trust	Private Equity Fund	Pension/ Provident Fund	Sovereign Wealth Fund	Partnership / Proprietorship Firm
Financial Institution	NRIs/PIOs-repatriable	NRIs/ PIOs - non repatriable	OCB	QFI
Insurance Company	Indian Company	Indian Trust	Others - please Specify	

I/We, confirm that my/ 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 Offer Shares tendered by me/ us are held on (✓ whichever is applicable)

- ❖ Repatriable basis
- ❖ Non - repatriable basis

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

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

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

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

Additional confirmations and enclosures for all Public Shareholders, as applicable I / We, have enclosed the following documents (✓ whichever is applicable):

- ❖ Self-attested copy of PAN card.
- ❖ Self-declaration form in Form 15 G / Form 15 H, in duplicate copy.
- ❖ Certificate from Income-tax Authorities for deduction of tax at lower or nil rate.
- ❖ For Banks, LIC, Unit Trust of India and other specified entities covered under Section 194A (3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification.
- ❖ 'Valid 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 Public Shareholder intends to claim benefit under the DTAA between India and that jurisdiction in which the Public 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 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.

Yours faithfully

Signed & Delivered	Full Name	PAN	Signature
Sole / First Holder			
Second Holder			
Third Holder			

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

Place:

Date:

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

Acknowledgement Receipt – TOWA SOKKI Limited - Open Offer

Received from Mr./Ms./Mrs.

Form of Acceptance-cum-Acknowledgement for Towa Sokki Limited -Open Offer as per details below:

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

Date of Receipt:

Place of Receipt:
