

SHALIMAR AGENCIES LIMITED

Registered Office: # 4th Floor, Innov8 Co-working, Sreshta Marvel, P. Janardhan Reddy Nagar, Gachibowli, Hyderabad-500081, Telangana, India.
Corporate Identification Number (CIN): L51226TG1981PLC114084 Tel: 040 – 23395139/ 9030057374; Email: shalimaragenciesltd@gmail.com; Website: www.shalimaragencieslimited.com

OPEN OFFER ("OFFER"/ "OPEN OFFER") TO THE PUBLIC SHAREHOLDERS OF SHALIMAR AGENCIES LIMITED ("TARGET COMPANY"/ "SAL") FOR ACQUISITION OF 7,80,260 (SEVEN LAKHS EIGHTY THOUSAND TWO HUNDRED AND SIXTY ONLY) FULLY PAID-UP EQUITY SHARES OF THE FACE VALUE RS.10/- EACH CONSTITUTING 26 % OF THE ISSUED, SUBSCRIBED, PAID-UP AND VOTING CAPITAL OF THE TARGET COMPANY BY IT TRAILBLAZERS RESOURCES PRIVATE LIMITED (HEREINAFTER REFERRED TO AS "THE ACQUIRER") ALONGWITH MR. VENKATA RAJANI KUMAR VEMURI (HEREINAFTER REFERRED TO AS "PAC 1"), MR. RAVULAPALLY ARJUN KUMAR (HEREINAFTER REFERRED TO AS "PAC 2") AND MR. NARENDRA KOTTI (HEREINAFTER REFERRED TO AS "PAC 3").

This Detailed Public Statement ("DPS") is being issued by **Finshore Management Services Limited ("Manager to the Offer"/"Manager")**, on behalf of the Acquirer, in compliance with Regulations 13(4), 14 and 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI SAST Regulations") pursuant to the Public Announcement ("PA") dated 22nd April, 2021 filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE"), The Calcutta Stock Exchange Limited ("CSE") and Metropolitan Stock Exchange of India Limited ("MSEI") and the Target Company in terms of Regulations 3(1) and 4 of the SEBI SAST Regulations, on 22nd April, 2021.

I. ACQUIRERS, SELLERS, TARGET COMPANY AND OFFER

A. INFORMATION ABOUT THE ACQUIRER:

A.1. IT TRAILBLAZERS RESOURCES PRIVATE LIMITED ("ACQUIRER")

- IT Trailblazers Resources Private Limited, (Acquirer) (ITTB) is a private limited company incorporated on September 18, 2020. The CIN is U72900TG2020PTC144016.
- The Registered Office of the Acquirer is located at P No. 81, SY. NO. 67 Corpwork Hub Level II, Jubilee Enclave, Hi-tech City, Hyderabad-500081, Telangana, India.
- Acquirer is engaged in the activity of providing IT and ITES related services.
- Acquirer is not part of any group.
- The Authorised, issued, Subscribed and Paid-up Equity Share Capital of the Acquirer is Rs. 3,00,00,000 (Rupees Three Crores Only) divided into 30,00,000 (Thirty Lakhs Only) Equity Shares of Rs.10 (Rupees Ten Only) each. The shares of the Acquirer are not listed on any stock exchange.
- The Acquirer does not hold any shares in the Target Company. Further, the Acquirer has entered into Share Purchase Agreement ("SPA") with the Promoter(s)/Promoter Group of the Target Company on 22nd April, 2021 to acquire 18,17,703 Equity Shares representing 60.57% of the Equity Share Capital / Voting Capital of the Target Company through SPA.
- The names of the Promoter of the Acquirer along with their shareholding percentage as of 22nd April, 2021 are as follows:

S. No	Particulars	Shareholding as on 22-04-2021	
		Number of Equity Shares	Percentage holding
Promoters			
1	Narendra Kotti	29,90,000	99.66%
2	Ravulapally Arjun Kumar	5,000	0.17%
3	Venkata Rajani Kumar Vemuri	5,000	0.17%
	Total	30,00,000	100.00%

The Board of Directors of the Acquirer comprises the following members:

Sl. No.	Name and Designation	DIN	Date of appointment
1	Venkata Rajani Kumar Vemuri (Director)	07363756	18/09/2020
2	Ravulapally Arjun Kumar (Director)	08820683	18/09/2020

PACs are Promoters and Directors of the Acquirer as mentioned in point 7 and 8.

Acquirer and its promoters / directors do not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel. The Acquirer has entered into SPA for proposed acquisition of 18,17,703 Equity Shares representing 60.57% of the Equity Share Capital / Voting Capital of the Target Company through SPA. Furthermore, there are no Directors on the Board of Directors of the Target Company representing the Acquirer.

Acquirer, its Promoters / persons in control and directors have not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act, 1992 as amended (the "SEBI Act") or under any of the regulations made under the SEBI Act.

Acquirer has confirmed that it is not categorized as a "Willful Defaulter" in terms of Regulation 1(j)(ze) of the SEBI (SAST) Regulations. It has further confirmed that it is not appearing in the willful defaulters list of the Reserve Bank of India and is not debarred by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.

The summary of key Financial Information of the Acquirer based on Audited Financial Statement as at and for the period ended April 15, 2021 and for the Financial Year ended March 31, 2021 is as set out below:

Particulars	In ₹	
	As at and for period ended April 15, 2021	As at and for Financial Year ended March 31, 2021
Total Revenue	13,41,720	4,71,19,120
Net Income	1,11,328	34,45,099
EPS	0.08	344.51
Net worth/Shareholder Funds	3,35,56,427	35,45,099

Acquirer confirms that currently there are no pending litigations pertaining to securities market to which it has been made a party.

A.2. VENKATA RAJANI KUMAR VEMURI ("PAC 1")

- Venkata Rajani Kumar Vemuri (hereinafter referred to as "PAC 1"), is an Indian National aged about 42 years having PAN AFRPV6147C and is residing at 6/208, Pedda Veedhi, Guduvada-521301, Krishna Dist., Andhra Pradesh, India. His mobile number is +91-9985175999 and his email id is rajani@itblazers.com.
- PAC 1 is a graduate in B.Sc by qualification from Nagarjuna University and has experience of about 21 Years in the field of Finance and Administration.
- PAC 1 is associated with Tenax Technologies Private Limited and Computing Concepts Info Private Limited as a Promoter Director and his DIN is 07363756.
- PAC1 has confirmed that he is not categorized as a "Willful Defaulter" in terms of Regulation 1(j)(ze) of the SEBI (SAST) Regulations. His name does not appear in the "Willful defaulters" list of the Reserve Bank of India and is not debarred by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.
- PAC 1 does not hold any equity shares in the Target Company. PAC 1 does not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel.
- PAC 1 undertakes not to sell the Equity Shares of the Target Company held by him during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.
- PAC 1 is the promoter and director of IT Trailblazers Resources Private Limited.

A.3. RAVULAPALLY ARJUN KUMAR ("PAC 2")

- Ravulapally Arjun Kumar (hereinafter referred to as "PAC 2"), is an Indian National aged about 39 years having PAN AKRPR5671B and is residing at Aparna Cyberlife G Block, Apt no 606, Nallagandla, Lingampally, Hyderabad-500019, Telangana, India. His mobile number is +91-9885623040 and his email id is arjun@itblazers.com.
- PAC 2 is a graduate in B.Pharmacy by qualification from JNTU University and has experience of about 17 Years in the field of Information Technology/Information Technology Enabled Services.
- PAC 2 is associated with 4A IT Consulting & Software Private Limited and Computing Concepts Info private Limited as a Promoter Director and his DIN is 08820683.
- PAC 2 has confirmed that he is not categorized as a "Willful Defaulter" in terms of Regulation 1(j)(ze) of the SEBI (SAST) Regulations. His name does not appear in the "Willful defaulters" list of the Reserve Bank of India and is not debarred by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.
- PAC 2 does not hold any equity shares in the Target Company. PAC 2 does not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel.
- PAC 2 undertakes not to sell the Equity Shares of the Target Company held by him during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.
- PAC 2 is the promoter and director of IT Trailblazers Resources Private Limited.

A.4. NARENDRA KOTTI ("PAC 3")

- Narendra Kotti (hereinafter referred to as "PAC 3"), is a US citizen aged 43 years having PAN ACQPN9109H and his indian residence is Brigade Gadenia, 904 E, JP Nagar, 8th Phase, Bengaluru-560078, Karnataka, India and his US residence is 25 Lewis Ave PD, DOBBS Ferry NY 10522-1537. His mobile number is +91-9885623040 and his email id is naren@itblazers.com.
- PAC 3 holds a degree of MBA from City University of New York and has experience of about 15 Years in the field of Information Technology/Information Technology Enabled Services.
- PAC 3 is the President of IT Technology Holdings INC, IT Trailblazers INC., Tenax INC and Chief Executive Officer of Gooroo Ventures INC and his DIN is 07178324.
- PAC 3 has confirmed that he is not categorized as a "Willful Defaulter" in terms of Regulation 1(j)(ze) of the SEBI (SAST) Regulations. His name does not appear in the "Willful defaulters" list of the Reserve Bank of India and is not debarred by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.
- PAC 3 does not hold any equity shares in the Target Company. PAC 3 does not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel.
- PAC 3 undertakes not to sell the Equity Shares of the Target Company held by him during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.
- PAC 3 is the promoter of IT Trailblazers Resources Private Limited.

B. INFORMATION ABOUT THE SELLERS:

The details of the Sellers are set out below: -

S. No.	Name of the Seller	Registered Office address	Part of Promoter/ Promoter Group	Nature of entity	Listed on Stock Exchange	No. of Shares held in Shalimar Agencies Limited before SPA	% of Issued, Subscribed Capital / Voting Capital	No. of Shares / Voting Rights Proposed to be sold through the SPA	Post sale Shareholding
1	QUEBEC TECH SOLUTIONS PRIVATE LIMITED	PLOT NO.4, GROUND FLOOR, H.NO: 6-3-649/3, SOMAJIGUDA, HYDERABAD-500082, TELANGANA, INDIA	Yes	Private Limited Company	No	18,17,703	60.57	18,17,703	Nil

The above Seller is a part of Promoter/Promoter Group of the Target Company and it do not belong to any group.

As per the shareholding pattern as on 31st March, 2021 filed as per Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Target Company with BSE, the Seller is the Promoter of the Target Company.

Seller is not prohibited by the SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 and subsequent amendments or under any other regulations made under the SEBI Act, 1992.

C. INFORMATION ABOUT THE TARGET COMPANY:

Shalimar Agencies Limited (CIN: L51226TG1981PLC114084) (hereinafter referred to as "Target Company" /" SAL")

Shalimar Agencies Limited was incorporated on June 4, 1981 under the Companies act, 1956 in the name and style as Shalimar Agencies Limited as a Public Limited company and obtained the Certificate of Commencement of Business on June 17, 1981. There has been no subsequent change in the name of the company since incorporation.

The registered office of SAL is situated at # "004th Floor, Innov8 Co-working, Sreshta Marvel, P. Janardhan Reddy Nagar, Gachibowli, Hyderabad-500081, Telangana, India".

Currently, the Target Company is involved in the business of dealing in shares, bonds and securities.

The Authorized Share Capital of SAL as on 31st December, 2020 is Rs. 3,25,00,000/- (Rupees Three Crores Twenty Five Lakhs Only) comprising of 32,50,000 (Thirty Two Lakhs Fifty thousand) Equity Shares of Rs.10/- each. The Paid Up Share Capital of Target Company is Rs. 3,00,10,000/- (Rupees Three Crores and Ten Thousand Only) comprising of 30,01,000 (Thirty Lakhs and One Thousand) Equity Shares of Rs.10/- each.

The Equity Shares of Target Company are currently listed on BSE Limited with Scrip Symbol: SAGL / Scrip

code 539895, Metropolitan Stock Exchange of India Limited (MSEI) with symbol as "SAGL" and on the Calcutta Stock Exchange Limited (CSE) with Scrip Code "29286". Currently, the shares of Target Company is in "Suspension" status in The Calcutta Stock Exchange Limited (CSE).

The Equity Shares of the Target Company are infrequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations on BSE Limited. There is no trading in MSEI & CSE.

There are currently no outstanding partly paid-up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.

The key financial information of the Target Company based on the limited review unaudited financials for the nine months ended 31st December, 2020 and audited financials for the year ended 31st March, 2020, 2019 and 2018 are as follows:

Particulars	Year ended on 31 st December, 2020	Year Ending 31 st March, 2020	Year Ending 31 st March, 2019	Year Ending 31 st March, 2018
	(Limited Review)	(Audited)	(Audited)	(Audited)
Total Revenue (including other income)	-	-	142.79	1061.89
Net Income (Profit / (Loss))	(8.52)	(9.35)	(8.23)	(16.92)
Earnings Per Equity Share	(0.28)	(0.31)	(0.27)	(0.56)
Basic & Diluted (after exceptional Items)				
Net Worth (excluding Capital Reserve and Capital Redemption Reserve)	305.83	314.35	323.70	331.93

D. Details of the Offer:

This Offer is being made under Regulations 3(1) and 4 of the SEBI SAST Regulations to all the Public Shareholders of the Target Company.

The Acquirer has entered into the SPA on 22nd April, 2021 whereby the Acquirer has agreed to acquire 18,17,703 equity shares of face value Rs.10/- each of the Target Company at a price of Rs.12/- per equity Share ("Sale Shares"), which constitutes 60.57% of the total issued, subscribed, paid-up equity share capital and voting capital of the Target Company.

Pursuant to the above, this Open Offer is being made to the public equity shareholders of SAL by the Acquirer to acquire upto 7,80,260 equity shares of face value of Rs.10/- each representing 26% of the issued, subscribed, paid-up and voting share capital of the Target Company, at a price of Rs. 12/- per equity share ("Offer Price"), aggregating to Rs.93,63,120/- (Rupees Ninety Three Lakhs Sixty Three Thousand One Hundred Twenty Only) ("Offer Consideration"), payable in cash subject to the terms and conditions mentioned hereinafter (the "Open Offer" or "Offer").

The Offer Price is payable in cash, in accordance with Regulation 9(1) of SEBI SAST Regulations.

The equity shares of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

There are no conditions stipulated in the SPA, the meeting of which would be outside the reasonable control of the Acquirer and in view of which the Open Offer might be withdrawn under Regulation 23 of the SEBI SAST Regulations.

To the best of the knowledge and belief of the Acquirer, there are no statutory or other approvals required for the Offer. If, however, any statutory or other approval becomes applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) and the Acquirer will make necessary applications for such approvals.

This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 (1) of SEBI SAST Regulations.

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

The Acquirer has no plans to alienate any significant assets of the Target Company for a period of 2 years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, for 2 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 in terms of Regulation 25(2) of SEBI SAST Regulations.

Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of Sale Shares in accordance with the SPA, the Acquirer shall hold 25,97,963 Equity Shares constituting 86.57% of the issued, subscribed, paid up and voting capital of the Target Company. As per Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR"), the Target Company is required to maintain at least 25% public shareholding, on a continuous basis for listing. If, pursuant to this Open Offer, the public shareholding in the Target Company reduces below the minimum level required as per the listing agreement entered into by the Target Company with BSE Limited and read with Rule 19A of the SCRR, the Acquirers hereby undertake that its shareholding in the Target Company will be reduced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

The Manager to the Offer, Finshore Management Services Limited does not hold any equity shares in the Target Company as on date of this DPS. The Manager to the Offer further declare and undertake that they will not deal in their own account in the equity shares of the Target Company during the Offer Period.

The SPA is subject to compliance of provisions of SEBI SAST Regulations and in case of non-compliance with the provisions of SEBI SAST Regulations, the SPA shall not be acted upon.

II. BACKGROUND TO THE OFFER

- This Offer is being made under Regulations 3(1) and 4 of the SEBI SAST Regulations and is being made as a result of a direct substantial acquisition of Equity Shares and voting rights in and control over the Target Company by the Acquirer and PACs, pursuant to the Share Purchase Agreement.
- The Acquirer has entered into a Share Purchase Agreement ("SPA") on 22nd April, 2021 with the Seller and the Target Company, wherein it is proposed that the Acquirer shall purchase 18,17,703 fully paid up equity shares of the Target Company of face value Rs.10/- each, which constitutes 60.57% of the issued, subscribed, paid-up and voting share capital. The said sale is proposed to be executed at a price of Rs.12/- (Rupees Twelve Only) per fully paid-up equity share ("Negotiated Price") aggregating to Rs.2,18,12,436/- (Rupees Two Crores Eighteen Lakhs Twelve Thousand Four Hundred Thirty Six Only) ("Purchase Consideration") payable in cash. Consequent to the changes in control and management of the Target Company contemplated under the SPA, this mandatory Open Offer is being made by the Acquirers in compliance with Regulations 3(1), 4 and other applicable provisions of SEBI SAST Regulations.
- The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- This Open Offer is for acquisition of 26% of total equity and voting share capital of the Target Company. After the completion of this Open Offer and pursuant to transfer of equity shares so acquired under the aforesaid SPA, the Acquirer shall hold the majority of the equity shares by virtue of which Acquirer will be in a position to exercise effective management and control over the Target Company.
- Subject to satisfaction of the provisions under the Companies Act, 2013, SEBI SAST Regulations wherever applicable, and/ or any other Regulation(s), the Acquirer intends to make changes in the management of SAL.
- Objects of the Acquisition:** The object of acquisition is to acquire substantial shares/voting rights accompanied with change in management and control of the Target Company. The Acquirer and PACs reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be carried out, will be in accordance with the laws applicable.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed shareholding of the Acquirer in Target Company and the details of the acquisition are as follows: -

Details	Acquirer		PAC 1		PAC 2		PAC 3	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Shareholding as on the date of PA	Nil	NA	Nil	NA	Nil	NA	Nil	NA
Shares proposed to be acquired pursuant to SPA	18,17,703	60.57	Nil	NA	Nil	NA	Nil	NA
Shares acquired between the date of PA and Date of DPS	Nil	NA	Nil	NA	Nil	NA	Nil	NA
Shares to be acquired in the Offer (assuming full acceptance)	7,80,260	26.00	Nil	NA	Nil	NA	Nil	NA
Post Offer Shareholding (assuming full acceptance, as on 10th working day after closure of the tendering period)	25,97,963	86.57	Nil	NA	Nil	NA	Nil	NA

Acquirers hereby undertake that its shareholding in the Target Company will be reduced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

IV. Offer Price

- The Equity Shares of Target Company are currently listed on BSE Limited with Scrip Symbol: SAGL / Scrip Code "539895", Metropolitan Stock Exchange of India Limited (MSEI) with symbol as "SAGL" and on the Calcutta Stock Exchange Limited (CSE) with Scrip Code "29286".
- The trading turnover in the equity shares of the Target Company on BSE, MSEI and CSE during the twelve calendar months preceding the month in which the PA was issued (i.e., April 2020 to March 2021) is given below:-

Name of the Exchange	Number of equity shares of the Target Company traded during the Twelve Months period ("A")	Total Number of Equity Shares listed ("B")	Total Turnover% (A/B)
BSE	44	30,01,000	0.0014
MSEI	Nil	30,01,000	Not Applicable
CSE*	Nil	30,01,000	Not Applicable

*Currently, SAL's shares is under suspension status in CSE.

(Source: <https://www.bseindia.com>, <https://www.cse-india.com>, <https://www.msei.in>)

Based on the above, the equity shares are infrequently traded in terms of Regulation 2(1)(j) of the SEBI SAST Regulations.

The Offer Price of Rs.12/-per equity share is justified in terms of Regulation 8(2) of the SEBI SAST Regulations being the highest of the following:

	Rs.12/-
(a) The Negotiated Price under the Agreement	Nil
(b) The volume-weighted average price paid or payable for acquisition, by the Acquirers during the 52 weeks immediately preceding the date of the PA.	Nil
(c) The highest price paid or payable for any acquisition, by the Acquirers, during the 26 weeks immediately preceding the date of the PA.	Nil
(d) The volume-weighted average market price of the equity shares of the Target Company for a period of 60 trading days immediately preceding the date of the PA on BSE	Not Applicable as Equity Shares are Infrequently Traded
(e) Other financial parameters as at 31st December, 2020	
Return on network (%)	(2.78)
Book value per share (Rs.)	10.19
Earnings per share (Rs.)	(0.28)

As per CA **Vikash Goel**, Registered Valuer, Regn no: IBBI/RV/01/2018/10339 having its office at **Diamond City North, 11-5C, 68 Jessore Road, Kolkata-700055**, the fair value of the equity shares of Target Company is **Rs.11.21 p** per share.

In view of the parameters considered and presented in table above, in the opinion of the Acquirer alongwith PACs and Manager to the Offer, the Offer Price of Rs.12/- (Rupees Twelve Only) per fully paid-up equity share is justified in terms of Regulation 8 of the SEBI SAST Regulations.

As on date, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer and PACs shall comply with Regulation 18 and all the provisions of SEBI SAST Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

If the Acquirer and PACs acquires equity shares of the Target Company during the period of twenty-six weeks after the tendering period at the price higher than the Offer Price, then the Acquirer and PACs shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in 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 an open offer under the SEBI SAST Regulations or pursuant to SEBI (Delisting of Equity Shares), Regulations, 2009 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

If the Acquirer and PACs acquires or agrees to acquire any equity shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price pursuant to future purchases / competing offers shall stand revised to the highest price paid or payable for any such acquisition in terms of regulation 8(8) of SEBI SAST Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to three working days before the date of commencement of the tendering period and until the expiry of the tendering period.

V. FINANCIAL ARRANGEMENTS

The maximum consideration payable by the Acquirer and PACs to acquire 7,80,260 fully paid-up equity shares at the Offer Price of Rs.12/- (Rupees Twelve Only) per equity share, assuming full acceptance of the Offer would be Rs. 93,63,120/- (Rupees Ninety Three Lakhs Sixty Three Thousand One Hundred and Twenty Only).

The Acquirer confirms that it has made firm financial arrangements for fulfilling the payment obligations under this Offer in terms of Regulation 25(1) of the SEBI SAST Regulations and Acquirer is able to implement this Offer. CA P. Murali Mohana Rao, Chartered Accountants, (FRN: 007257S & Membership No. 023412) having office at #6-3-655/2/3, Somajiguda, Hyderabad-500082, India, has certified vide certificate dated 22nd April, 2021, that the Acquirer has adequate financial resources and sufficient liquid funds to meet its financial obligations under the Offer.

In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirer, Manager to the Offer and Kotak Mahindra Bank ("Escrow Banker") have entered into an escrow agreement on 22nd April, 2021. Pursuant to the escrow agreement the Acquirer has opened an Escrow Account under the name and style of "FMISL_SAL_Open Offer Escrow Account" bearing account number 8745286017 with Kotak Mahindra Bank Limited, Nariman Point Branch, Mumbai and made therein a cash deposit of Rs. 26,00,867 (Rupees Twenty Six Lakhs Eight Hundred and Sixty Seven Only) being more than 25% of the total consideration payable in the Open Offer.

The Acquirer has authorized the Manager to the Offer to operate the Escrow Account and realise the value in terms of the SEBI SAST Regulations.

Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer