

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a public equity shareholder(s) of **Shalimar Agencies Limited**. If you require any clarification about action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your equity shares in **Shalimar Agencies Limited**, please hand over this Draft 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")

BY

SPICE LOUNGE LLP (LLPIN: AAM-4705)

Having registered office at H.No.8-2-293/82/A/800 & 800/1 Plot No 800, Jubilee Hills, Road No.36, Hyderabad, Telangana, India, 500033

Tel: 6362672263, Email: mohan@espicelounge.com

(hereinafter referred to as "Acquirer 1")

And

MOHAN BABU KARJELA

residing at Flat No Villa No 39, The Trails Gated Community, Lanco Hills Road, Manikonda, K.v. Rangareddy, Telangana - 500089, India

Tel: 6362672263, Email: mohan@espicelounge.com

(hereinafter referred to as "Acquirer 2")

And

VENUGOPAL NAIDU KONGARLA VENKATESH

residing at No. 42, 25th Main 3rd B Cross, B T M 2nd Stage, Bangalore South, Bannerghatta Road, Bengaluru, Karnataka, 560076, India

Tel: +91 9632336995, Email: venu@espicelounge.com

(hereinafter referred to as "Acquirer 3")

(hereinafter collectively referred to as "Acquirers")

And

M KITCHENS PRIVATE LIMITED (CIN: U74900TG2015PTC100813)

Having registered office at H.No.8-2-293/82/A/806 & 806/1 & 807, Axis Towers Road No.36, Jubilee Hills, Hyderabad, Telangana, India, 500033.

Tel: 6362672263, Email: mohan@espicelounge.com

(hereinafter referred to as "PAC 1")

And

RAMESH NAIDU VELURU

residing at No. 33, 2nd Floor, 3rd B Cross, 25th Main, B T M Layout 2nd Stage, Bangalore South, Bengaluru, Karnataka, 560076, India,

Tel: +91 78480 32929 Email: ramesh@espicelounge.com

(hereinafter referred to as "PAC 2")

(hereinafter collectively referred to as "Person Acting in Concert" or "PACs")

TO ACQUIRE

Upto 11,33,262* Equity Shares of Rs.10/- each at an Offer Price per equity share of Rs. 15/- each payable in cash, representing 100% of the existing public shareholding, pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof, from the public shareholders.

OF

SHALIMAR AGENCIES LIMITED

(hereinafter referred to as "Target Company")

Registered Office: Plot. No 19, Sanali Spazio, Software Unit Layout, Cyber Tower Area, Madhapur, Rangareddy, Hyderabad, Telangana, 500081

Corporate Identification Number (CIN): L51226TG1981PLC114084, **Tel:** +91-99019 98947;

Email: shalimaragenciesltd@gmail.com **Website:** www.shalimaragencieslimited.com

*Public Shareholders hold 11,33,262 Shares. However, 26% of the expanded capital (considering all the potential increases in the number of outstanding shares) is 1,81,25,188 which exceeds the public holding, hence restricted to total public holding i.e., 11,33,262.

Please Note:

- This Offer is being made by the Acquirers alongwith PACs pursuant to regulation 3(1) & 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI SAST Regulations**") for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.
- This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI SAST Regulations, 2011.
- To the best of the knowledge of the Acquirers, there are no statutory approvals required for the purpose of this Offer except approval of BSE (Designated Stock Exchange) and Shareholders approval for the Preferential issue of Equity Shares. If any statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such statutory approvals.
- If there is any upward revision in the Offer Price/Size at any time prior to the commencement of the last one working day before the commencement of the tendering period in terms of the SEBI SAST Regulations the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement had appeared. If the Offer is withdrawn pursuant to regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement had appeared.
- This Offer is not a competing bid.**
- If there are competing bid, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirers / Target Company, no competitive bid has been announced as of the date of this Draft Letter of Offer.**
- The Public Announcement, Detailed Public Statement and this Draft Letter of Offer (including Form of Acceptance cum Acknowledgment) are also available on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in

MANAGER TO THE OFFER

REGISTRAR TO THE OFFER



Finshore Management Services Limited,
Anandlok Block A, Room-207,
227, AJC Bose Road, Kolkata-700020
Tel: 91-033 4603 2561
Website: www.finshoregroup.com
Investor Grievance email id: investors@finshoregroup.com
Contact Person: Mr. S Ramakrishna Iyengar
SEBI Registration No: INM000012185
CIN No: U74900WB2011PLC169377

Aarthi Consultants Private Limited,
1-2-285, Domalaguda, Hyderabad, Telangana, 500029, India
Tel.: 040 - 27638111 / 27634445
Fax: 040-27632184
Website: www.aarthiconsultants.com
Investor Grievance email id: info@arthiconsultants.com
Contact Person: Mr. G. Bhaskara Murthy
CIN: U74140TG1992PTC014044
SEBI Registration Number: INR000000379

OFFER OPENS ON: Monday, 1st July, 2024

OFFER CLOSES ON: Friday, 12th July, 2024

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Nature of the Activity	Date	Day
Date of Public Announcement	7 th May, 2024	Tuesday
Publication of Detailed Public Statement in newspapers	14 th May, 2024	Tuesday
Filing of draft letter of offer with SEBI along with soft copies of Public Announcement and detailed Public Statement	21 st May, 2024	Tuesday
Last date for a competing offer	5 th June, 2024	Wednesday
Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	12 th June, 2024	Wednesday
Identified Date*	14 th June, 2024	Friday
Last date for dispatch of the Letter of Offer to the public shareholders of the Target Company as on the identified Date	24 th June, 2024	Monday
Last date for upward revision of the Offer Price and / or the Offer Size	27 th June, 2024	Thursday
Last date by which the recommendation of the committee of independent directors of the Target Company will be published.	26 th June, 2024	Wednesday
Date of public announcement for opening of the Offer in the newspapers where the DPS has been published.	28 th June, 2024	Friday
Date of Commencement of tendering period	1 st July, 2024	Monday
Date of Closing of tendering period	12 th July, 2024	Friday
Last date of communicating rejection/acceptance and payment of consideration for accepted tenders/return of unaccepted Equity Shares.	29 th July, 2024	Monday

() 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 shareholders (registered or unregistered) of equity shares of the Target Company (except Acquirers, PACs and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.*

The above timelines are tentative (prepared on the basis of timelines provided under the SEBI SAST Regulations and are subject to change for any reason, including, but not limited, to delays in receipt of approvals or comments from regulatory authorities).

RISK FACTORS

The risk factors set forth below pertain to the underlying transaction, this Open Offer and are not intended to be a complete analysis of all risks in relation to this Open Offer or in association with the Acquirers or the Target Company, but are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in this Open Offer, but are merely indicative. Public Shareholders are advised to consult their stock brokers, tax advisers and/ or investment advisers/consultants, for analyzing all the risks with respect to their participation in this Open Offer.

Relating to the Transaction and Open Offer:

- a. On 7th May, 2024 the Board of Directors of Target Company in its meeting considered and approved the preferential allotment of 6,67,11,260 (Six Crore Sixty Seven Lakhs Eleven Thousand Two Hundred and Sixty) equity shares at a price of Rs. 15/- per equity share, wherein SAGL is purchasing 2,01,000 shares of Teksoft Systems, INC, 50,00,000 shares of Chicken Wild Wings Private Limited and 1,20,00,000 shares of Mirchi Wild Wings Private Limited in lieu of issuance of 6,67,11,260 Equity Shares by way of share swap to M Kitchens Private Limited ("PAC 1") (99,60,000 Equity Shares), Mr. Mohan Babu Karjela ("Acquirer 2") (2,67,22,715 Equity Shares), Mr. Venugopal Naidu Kongarla Venkatesh ("Acquirer 3") (60,27,537 Equity Shares), Siraj Holding LLC (1,20,00,504 Equity Shares) and BlueSky Capital Fund SPC (1,20,00,504 Equity Shares). The preferential issue made to Siraj Holding LLC and BlueSky Capital Fund SPC will be in the capacity of public shareholders of SAGL.
- b. The Acquirers have also entered into the SPA on 7th May, 2024 with the seller and Target Company, wherein it is proposed that the Acquirers shall purchase 18,67,738 fully paid up Equity Shares of face value Rs. 10/- each, which constitutes 2.68% of the Expanded, issued, subscribed, paid-up and voting share capital. The said sale is proposed to be executed at a price of Rs. 15/- (Rupees Fifteen) per fully paid-up equity share ("Negotiated Price") aggregating to Rs. 2,80,16,070 (Two Crores Eighty Lakhs Sixteen Thousand and Seventy Only) ("Purchase Consideration") payable in cash. Pursuant, to which the acquirers have triggered the obligation to make an Open Offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations to the Shareholders of the target Company.

These SPA shares will be acquired in the following proportion by the Acquirers:

- a) **Spice Lounge LLP** - 3,73,548 Equity Shares
 - b) **Mohan Babu Karjela** - 11,20,642 Equity Shares
 - c) **Venugopal Naidu Kongarla Venkatesh** - 3,73,548 Equity Shares
- c. To the best of the knowledge and belief of the Acquirers and PACs, no statutory or regulatory approvals are required by the Acquirers and PACs to complete this Open Offer except approval of BSE (Designated Stock Exchange) and Shareholder's approval for the Preferential issue of Equity Shares. However, in case of any statutory or regulatory approvals being required by the Acquirers and/or the PACs at a later date, this Open Offer shall be subject to such approvals and the Acquirers and the PACs shall make the necessary applications for such approvals. In case of delay in receipt of any such statutory or regulatory approvals, as per Regulation 18(11) and 18(11A) of the SEBI SAST Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers and/or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirers agreeing to pay interest to the Public Shareholders for delay beyond 10th Working Day from the date of Closure of Tendering Period, at such rate as may be specified by SEBI. Where the statutory or regulatory approvals extend to some but not all the Public Shareholders, the Acquirers and the PACs shall have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory or regulatory approvals are required in order to complete this Offer in respect of such Public Shareholders.

- d. The acquisition of the Offer Shares from NRIs and erstwhile OCBs is subject to the approval or exemption from the RBI. Where any such statutory or regulatory approval or exemption extends to some but not all of the Public Shareholders, the Acquirers and/or the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory or regulatory approvals or exemptions are required in order to complete this Offer. Notwithstanding the RBI approval sought by the Acquirers and/or the PACs, any NRIs and OCBs may also choose to apply for all requisite approvals required to tender their respective Offer Shares and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer.
- e. In the event that either (a) the statutory or regulatory approvals, if any required, are not received in a timely manner (b) there is any order of a governmental authority or litigation leading to a stay/injunction on the Open Offer or that restricts/restrains the Acquirers from performing its obligations hereunder, or (c) SEBI instructing the Acquirers and the PACs not to proceed with the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders of Target Company, whose Equity Shares have been accepted in the Open Offer as well as the return of Equity Shares not accepted by the Acquirers in the Open Offer, may be delayed.
- f. Public Shareholders who have lodged their acceptance to this Open Offer shall not be entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of the Equity Shares in this Open Offer and dispatch of consideration are delayed.
- g. The Equity Shares tendered in the Offer and documents will be held in the pool account of the broker/ in trust by the Clearing Corporation/Registrar to the Offer, till the process of acceptance of tenders and the payment of consideration is completed. The Public Shareholders will not be able to trade in such Equity Shares during such period. During such period, there may be fluctuations in the market price of the Equity Shares. The Acquirers and the PACs makes no assurance with respect to the market price of the Equity Shares both during the period that the Offer is open and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Offer.
- h. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Open Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers and the PACs or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.
- i. Public Shareholders are advised to consult their respective stockbroker, legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for assessing the tax liability pursuant to this Open Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case and further risks with respect to their participation in the Open Offer, and related transfer of Equity Shares to the Acquirers, and the appropriate course of action that they should take. The Acquirers, the PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer, and all shareholders should independently consult their respective tax advisors.
- j. The Acquirers, the PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, the DPS, and this Draft Letter of Offer or in any advertisement or any materials issued by or at the instance of the Acquirers and the PACs. Any persons placing reliance on any other source of information (not released by the Acquirers or PACs or the Manager to the Offer) will be doing so at his/her/their own risk.
- k. This Offer is subject to completion risks as would be applicable to similar transactions.

Relating to the Acquirers and the PACs:

- a. The Acquirers, the PACs and Manager to the Offer makes no assurances with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- b. The Acquirers, the PACs and Manager to the Offer makes no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
- c. The Acquirers, the PACs and Manager to the Offer makes no assurances with respect to the market price of the Equity Shares before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Offer.
- d. If the public shareholding in the Target Company falls below the prescribed minimum level required for continued listing as a result of the Open Offer and/or the underlying transaction, the Acquirers and PACs are required to take appropriate action in compliance with applicable securities laws in India to ensure compliance with the conditions of the SCRR and the SEBI LODR Regulations. Any failure to do so could have an adverse effect on the price of the Equity Shares of the Target Company.
- e. For the purpose of disclosures in the PA or DPS or this Draft Letter of Offer in relation the Target Company and/or the Seller, the Acquirers and PACs has relied on the information published or provided by the Target Company and/or the Seller, as the case may be, or publicly available sources and have not independently verified the accuracy of details of the Target Company and/or the Seller. The Acquirers and/or the PACs does not accept any responsibility with respect to any misstatement by the Target Company and/or the Seller in relation to such information.

THE RISK FACTORS SET FORTH ABOVE ARE NOT A COMPLETE ANALYSIS OF ALL RISKS IN RELATION TO THE UNDERLYING TRANSACTION, THE OFFER OR IN ASSOCIATION WITH THE ACQUIRERS AND THE PACS AND ARE ONLY INDICATIVE IN NATURE.

Currency of Presentation:

- a. In this Draft Letter of Offer, all references to "Rs." / "Rupees" / "INR" / "₹" are references to Indian Rupee(s), the official currency of India.
- b. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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1. DEFINITIONS AND ABBREVIATIONS

Term	Definition/Abbreviation
Acquirers or The Acquirers	Spice Lounge LLP (Hereinafter referred to as "Acquirer 1"), Mr. Mohan Babu Karjela (Hereinafter referred to as "Acquirer 2"), Mr. Venugopal Naidu Kongarla Venkatesh (Hereinafter referred to as "Acquirer 3") (Collectively referred to as "Acquirers")
Board of Directors	The Board of Directors of the Target Company
Book Value	Book Value of each Equity Share as on the date referred to
BSE	BSE Limited
Buying Broker	Stock broker appointed by the Acquirers for the purpose of this Open Offer i.e. Nikunj Stock Brokers Limited, having registered office at A-92, GF, Kamla Nagar, Delhi -110007
CDSL	Central Depository Services (India) Limited
Closure of Tendering Period	The day on which the tendering by the public shareholders closes
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956, as amended and the Companies Act, 2013, as amended, as the case may be
Clearing Corporation	Clearing Corporation of Stock Exchanges
CSE	The Calcutta Stock Exchange of India Limited
Detailed Public Statement or DPS	Detailed Public Statement of the Open Offer made by the Acquirers and the PACs, which appeared in the newspapers as mentioned in para 3.2.2
Depositories	CDSL and NSDL
Designated Stock Exchange	BSE Limited
DIN	Director Identification Number
DP	Depository Participant
Draft Letter of Offer/DLOF	This Draft Letter of Offer dated 21 st May, 2024
Eligible Person(s) / Eligible Shareholder(s) for the Offer/Public Shareholders	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company except the Acquirers and the Sellers. All the owners (registered or unregistered) of the Equity Shares of the Target Company
EPS	Earnings per Equity Share
Escrow Account	The account opened with Escrow Bank under the name and title "FMSL SAL OPEN OFFER ESCROW ACCOUNT" bearing Account No. 9149389403
Escrow Agreement	Escrow Agreement dated 7 th May 2024, entered amongst the Acquirers, Escrow Bank and Manager to the Offer.
Escrow Bank	Kotak Mahindra Bank Limited
Equity Shares	Fully paid-up equity share of the Target Company of face value Rs. 10/- each
Expanded capital/Emerging fully diluted voting Equity share capital/Emerging Voting Capital	The total shares of the Target Company as of the 10 th Working day from the closure of tendering period after considering all the potential increases in the number of outstanding shares during the offer period contemplated as of the date of the public announcement
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FII	Foreign Institutional Investor registered with SEBI
Finshore/FMSL/Manager to the Offer/MB/Merchant Banker	Finshore Management Services Limited, the Merchant Banker appointed by the Acquirers pursuant to Regulation 12 of the SEBI SAST Regulations, 2011 having registered office at Anandlok Block A, Room-207, 227, AJC Bose Road, Kolkata-700020
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
FY	Financial Year
Identified Date	The date, falling on the 10 th Working Day prior to the commencement of the Tendering Period, for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent.

Income Tax Act	The Income Tax Act, 1961 as amended.
KYC	Know Your Client
Listing Agreement	Equity Listing Agreement with each of the stock exchanges in India, as amended from time to time.
MSEI	Metropolitan Stock Exchange of India Limited
NAV	Net Asset Value per Equity Share
Negotiated Price	Rs. 15/- (Rupees Fifteen only) per fully paid-up Equity Share of face value of Rs. 10/- each.
NRIs	Non-Resident Indians and Persons of Indian origin residing abroad
NSDL	National Securities Depository Limited
Offer /Open Offer	This Open Offer, being made by the Acquirers and the PACs to the public shareholders of the Target Company, to acquire upto 11,33,262* fully paid up equity shares of face value of Rs. 10/-each, representing 100% of the existing public shareholding of the Target Company. *Public Shareholders hold 11,33,262 Shares. However, 26% of the expanded capital (considering all the potential increases in the number of outstanding shares) is 1,81,25,188 which exceeds the public holding, hence restricted to total public holding i.e., 11,33,262.
Offer Price	Rs. 15/- (Rupees Fifteen only) per fully paid-up equity share of Rs. 10/- each.
Offer Period	Period from the date of Public Announcement to make Open offer to the date on which the payment of consideration to the shareholders whose Equity Shares are accepted in this Open Offer, is made, or the date on which this Open Offer is withdrawn, as the case may be.
PA /Public Announcement	Public Announcement of the Open Offer issued by the Manager to the Offer, on behalf of the Acquirers and PACs on 7 th May, 2024.
PAN	Permanent Account Number
PAT	Profit after Tax
PBDIT	Profit Before Depreciation, Interest and Tax
PBT	Profit Before Tax
Promoters/Sellers	IT Trailblazers Resources Private Limited
Public Shareholders	All equity shareholders of the Target Company other than members of the Promoter and Promoter Group of the Target Company.
RBI	Reserve Bank of India.
Registrar/ Registrar to the Offer	Aarthi Consultants Private Limited
Regulations / SEBI SAST Regulations, 2011/ SEBI SAST Regulations/ SAST Regulations/ Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
Rs. or Rupees or INR or ₹	Indian Rupees.
RTGS	Real Time Gross Settlement.
SCRR	Securities Contract (Regulations) Rules, 1957 and subsequent amendments thereto.
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subsequent amendments thereof

SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
Selling Broker	Respective stock brokers of all Shareholders who desire to tender their Equity Shares under the Open Offer
Shalimar Agencies Limited/SAGL /Target Company	A company incorporated under the Companies Act, 1956 and having its registered office at "Plot. No 19, Sanali Spazio, Software Unit Layout, Cyber Tower Area, Madhapur, Rangareddy, Hyderabad, Telangana, 500081"
Stock Exchange	BSE Limited, Metropolitan Stock Exchange of India Limited, The Calcutta Stock Exchange of India Limited
Tendering period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from 1 st July, 2024 to 12 th July, 2024.
TRS	Transaction Registration Slips
Working Day	A working day of SEBI, as defined in the SEBI SAST Regulations

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

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT 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 DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI SAST REGULATIONS. THIS REQUIREMENT IS TO FACILITATE PUBLIC SHAREHOLDERS OF SHALIMAR AGENCIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS AND THE PACS DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, FINSHORE MANAGEMENT SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 21ST MAY, 2024 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1 Background to the Offer

3.1.1 This mandatory offer (the “Offer” or “Open Offer”) is being made by the Acquirers to the equity shareholders of Shalimar Agencies Limited in compliance with Regulations 3(1) and 4 of SEBI (SAST) Regulations as a result of a direct substantial acquisition of Equity Shares and voting rights in and control over the Target Company by the Acquirers, pursuant to the Share Purchase Agreement and the Preferential Allotment of Equity shares for consideration other than cash.

- (a) On 7th May, 2024 the Board of Directors of Target Company in its meeting considered and approved the preferential allotment of 6,67,11,260 (Six Crore Sixty Seven Lakhs Eleven Thousand Two Hundred and Sixty) equity shares at a price of Rs. 15/- per equity share, wherein SAGL is purchasing 2,01,000 shares of Teksoft Systems, INC, 50,00,000 shares of Chicken Wild Wings Private Limited and 1,20,00,000 shares of Mirchi Wild Wings Private Limited in lieu of issuance of 6,67,11,260 Equity Shares by way of share swap to M Kitchens Private Limited (“PAC 1”) (99,60,000 Equity Shares), Mr. Mohan Babu Karjela (“Acquirer 2”) (2,67,22,715 Equity Shares), Mr. Venugopal Naidu Kongarla Venkatesh (“Acquirer 3”) (60,27,537 Equity Shares), Siraj Holding LLC (1,20,00,504 Equity Shares) and BlueSky Capital Fund SPC (1,20,00,504 Equity Shares). The preferential issue made to Siraj Holding LLC and BlueSky Capital Fund SPC will be in the capacity of public shareholders of SAGL.

The price per common stock of Teksoft Systems INC whose shares are purchased by SAGL is determined as per Internationally accepted valuation methodology on arm’s length basis by Registered Valuer, Mr. A.N. Gawade, IBBI Regn No. IBBI/RV/05/2019/10746 having office at 7, Saraswati Heights, Behind café Good Luck, Deccan Gymkhana, Pune-411004 and the Value derived is Rs. 2238.83/- per common Stock as per the valuation Report dated 7th May, 2024.

The price per share of Chicken Wild Wings Private Limited whose shares are purchased by SAGL is determined as per Internationally accepted valuation methodology on arm’s length basis by Registered Valuer, Mr. A.N. Gawade, IBBI Regn No. IBBI/RV/05/2019/10746 having office at 7, Saraswati Heights, Behind café Good Luck, Deccan Gymkhana, Pune-411004 and the Value derived is Rs. 80.18/- per Share as per the valuation Report dated 7th May, 2024.

The price per share of Mirchi Wild Wings Private Limited whose shares are purchased by SAGL is determined as per Internationally accepted valuation methodology on arm's length basis by Registered Valuer, Mr. A.N. Gawade, IBBI Regn No. IBBI/RV/05/2019/10746 having office at 7, Saraswati Heights, Behind café Good Luck, Deccan Gymkhana, Pune-411004 and the Value derived is Rs. 12.50/- per Share as per the valuation Report dated 7th May, 2024.

Based on the report of Registered Valuer,

- SAGL will Issue 14926 (Fourteen Thousand Nine Hundred and Twenty Six) shares for every 100 (Hundred) shares of Teksoft Systems INC,
- SAGL will Issue 535 (Five Hundred and Thirty Five) shares for every 100 (Hundred) shares of Chicken Wild Wings Private Limited,
- SAGL will Issue 83 (Eighty Three) shares for every 100 (Hundred) shares of Mirchi Wild Wings Private Limited.

Teksoft Systems, INC is registered in the state of Michigan, United States of America and has its office at 850 Stephenson Hwy Suite No 202, Troy, Michigan 48083, US. Chicken Wild Wings Private Limited and Mirchi Wild Wings Private Limited are Companies registered under Companies Act, 2013. The said transaction will result in Teksoft Systems, INC, Chicken Wild Wings Private Limited and Mirchi Wild Wings Private Limited becoming the wholly owned subsidiary of Shalimar Agencies Limited.

The Acquirer 1, Acquirer 2 and Acquirer 3 are intending to become Promoters of Target Company and PAC 1 - M Kitchens Private Limited is intending to become a part of the Promoter Group subsequent to completion of Open Offer under Regulation 3(1) and 4 of SEBI SAST Regulations.

- 3.1.2 The Acquirers have also entered into the SPA on 7th May, 2024 with the seller and Target Company, wherein it is proposed that the Acquirers shall purchase 18,67,738 fully paid up Equity Shares of face value Rs. 10/- each, which constitutes 2.68% of the Expanded, issued, subscribed, paid-up and voting share capital. The said sale is proposed to be executed at a price of Rs. 15/- (Rupees Fifteen) per fully paid -up equity share ("Negotiated Price") aggregating to Rs. 2,80,16,070 (Two Crores Eighty Lakhs Sixteen Thousand and Seventy Only) ("Purchase Consideration") payable in cash. Pursuant, to which the acquirers have triggered the obligation to make an Open Offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations to the Shareholders of the target Company.

These SPA shares will be acquired in the following proportion by the Acquirers:

- a) Spice Lounge LLP - 3,73,548 Equity Shares
- b) Mohan Babu Karjela - 11,20,642 Equity Shares
- c) Venugopal Naidu Kongarla Venkatesh - 3,73,548 Equity Shares

- 3.1.3 A summary of some of the salient features of the Share Purchase Agreement, which are all subject to detailed terms in the Share Purchase Agreement ("SPA") is as follows:

- a. The Acquirers has agreed to purchase from the Sellers 18,67,738 equity shares (sale shares) of ₹ 10/- each being 62.24% of the existing total issued, subscribed, paid-up and voting capital of the Target Company at a price of ₹ 15 per equity share payable in cash.
- b. The SPA is subject to the compliances of provisions of SEBI SAST Regulations, 2011 and in case of non compliances with the provisions of SEBI SAST Regulations, 2011, the SPA shall not be acted upon.
- c. Upon Completion of Open Offer Formalities, a Board Meeting of the Target Company shall be called, convened and conducted to transact the following business:
 - i. Recording of the allotment of Equity shares to the Acquirers & PACs
 - ii. the appointment of the Acquirer's nominees as Additional Directors on the Board of Directors of the Company subject to compliance with Regulation 24 of the Takeover Code;

- iii. approval for change in bank signatories;
- iv. approval for revocation of power of attorney (if any); and
- v. authorize the filing of statutory forms with any Governmental Authority required under applicable Law;

- 3.1.4 The acquirers & PACs do not hold any Equity Shares in the Target Company as on date.
- 3.1.5 The Acquirers may, after completion of the acquisition of Shares and in compliance with the first proviso to Regulation 24(1) of the SEBI SAST Regulations reconstitute the Board of Directors of the Target Company by appointing its representatives, as the Acquirers may deem fit. As on date, the Acquirers have not decided on the names of persons who may be appointed on the Board of Directors of the Target Company pursuant to the acquisition of Shares.
- 3.1.6 The Acquirers & PACs have not been prohibited by SEBI from dealing in securities, in terms of direction under section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.
- 3.1.7 As per Regulations 26(6) and 26(7) of the SEBI SAST Regulations, the Board of Directors of the Target Company is required, upon receipt of the Detailed Public Statement, to constitute a Committee of Independent Directors to provide their reasoned recommendations on the Offer. The reasoned recommendations are required to be published in the same newspapers in which the Detailed Public Statement was published by no later than 26th June, 2024 and simultaneously a copy of such recommendations is required to be sent to SEBI, the Stock Exchange and to the Manager to the Offer.
- 3.1.8 The Acquirer 1, Acquirer 2 and Acquirer 3 are intending to become Promoters of Target Company and PAC 1 - M Kitchens Private Limited is intending to become a part of the Promoter Group subsequent to completion of Open Offer under Regulation 3(1) and 4 of SEBI SAST Regulations.
- 3.1.9 This Offer is not pursuant to any open market purchase or a global acquisition resulting in indirect acquisition of the Target Company.

3.2 Details of the Proposed Offer

- 3.2.1 The PA announcing the Open Offer, under Regulations 3(1) and 4 read with Regulation 15(1) of the SEBI SAST Regulations, was made on 7th May, 2024 to the Stock Exchanges and a copy thereof was also filed with SEBI and sent to the Target Company.
- 3.2.2 A Detailed Public Statement as per Regulation 14(3) of SEBI SAST Regulations, 2011 pursuant to Public Announcement made by the Acquirers has appeared in the following Newspapers, on 14th May, 2024:

Name of the Newspaper	Language	Edition
Financial Express	English	English National Daily
Jansatta	Hindi	Hindi National Daily
Mumbai Lakshadeep	Marathi	Mumbai
Prabhatha Velugu	Telugu	Hyderabad

The DPS was also submitted to SEBI and the Stock Exchanges and sent to the Target Company on 14th May, 2024.

- 3.2.3 A copy of the PA and DPS for the Open Offer is also available on the SEBI website (www.sebi.gov.in)
- 3.2.4 This Offer is being made by the Acquirers, in accordance with Regulation 3(1) and Regulation 4 of the SEBI SAST Regulations, to the Public Shareholders of the Target Company, to acquire up to 11,33,262 Equity Shares ("**Offer Shares**"), constituting 100% of the existing Public shareholding at a price of Rs. 15/- (Rupees Fifteen only) ("**Offer Price**") aggregating to Rs. 1,69,98,930/- (Rupees One Crores Sixty Nine Lakhs Ninety Eight Thousand Nine Hundred and Thirty only) ("**Offer Consideration**"). The Offer Price

will be payable in cash by the Acquirers, in accordance with the provisions of Regulation 9(1)(a) of the SEBI SAST Regulations.

- 3.2.5 This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations and there is no competing offer.
- 3.2.6 The Open Offer is unconditional and not subject to any minimum level of acceptance from the shareholders of the Target Company, in terms of Regulation 19(1) of the SEBI SAST Regulations.
- 3.2.7 The Acquirers confirm that, except as mentioned in this Draft Letter of Offer, there are no persons acting in concert with it in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI SAST Regulations and the equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirers only.
- 3.2.8 The Manager to the Offer, Finshore Management Services Limited does not hold any Equity Shares in the Target Company as at the date of PA. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.
- 3.2.9 The Acquirers & PACs vide letter dated 21st May, 2024, has confirmed that they have not acquired any Equity Shares of the Target Company after the date of PA i.e 07th May, 2024 and up to the date of this draft Letter of Offer.
- 3.2.10 The Equity Shares of the Target Company acquired by the Acquirers and PACs shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.11 All Equity Shares validly tendered by the Public Shareholders will be acquired by the Acquirers in accordance with the terms and conditions contained in the DPS and this Draft Letter of Offer.
- 3.2.12 Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirers alongwith PAC shall hold 4,57,11,252 Equity Shares constituting 65.57% of the emerging fully diluted voting equity share 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 their 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.

3.3 Object of the Acquisition

- 3.3.1 The prime object of the Offer is to comply with the applicable requirements of the SEBI SAST Regulations with respect to the substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 3.3.2 After the completion of this Open Offer and pursuant to the aforesaid Preferential Issue, the Acquirers & PACs will hold the majority of Equity Shares by virtue of which the Acquirers & PACs shall be in a position to exercise effective control over the management and affairs of Target Company.
- 3.3.3 The Acquirers and PACs propose to do the business as permitted in the object clause of the Target Company and may diversify its business activities in future with prior approval of the shareholders of the Target company and such statutory and/or regulatory authority, as may be applicable in due compliance with the applicable laws. The Acquirers 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.

3.3.4 The Acquirers and PACs have no plans to alienate any significant assets of the Target Company for a period of two years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI SAST Regulations.

4. BACKGROUND OF THE ACQUIRERS & PACS

A.1. SPICE LOUNGE LLP ("ACQUIRER 1")

4.A.1.1 Spice Lounge LLP, (hereinafter referred to as "Acquirer 1" or "Spice Lounge") is a Limited Liability Partnership incorporated on April 23, 2018 under Limited Liability Partnership Act, 2008. The LLPIN is AAM-4705. The Contact details of Spice Lounge LLP are as follow: Mobile number is 6362672263 and email id is mohan@spicelounge.com.

4.A.1.2 The registered office of Spice Lounge is located at H.No.8-2-293/82/A/800 & 800/1 Plot No 800, Jubilee Hills, Road No.36, Hyderabad, Telangana, India, 500033.

4.A.1.3 Spice Lounge is engaged in the business of investment in subsidiaries mainly engaged in the business of food and Beverage industry.

4.A.1.4 The Acquirer 1 does not hold any shares in the Target Company.

4.A.1.5 The Designated Partners of the Acquirer as on date of Draft Letter of offer are as under:

S No	Particulars	Capital Contribution
	Designated Partners	(Rs.)
1	Mr. Mohan Babu Karjela	25,000
2	Mr. Venugopal Naidu Kongarla Venkatesh	5,99,85,237
3	Mr. Ramesh Naidu Veluru	6,00,10,238
	Total	12,00,20,475

4.A.1.6 Mr. Mohan Babu Karjela and Mr. Venugopal Naidu Kongarla Venkatesh are Acquirers and Mr. Ramesh Naidu Veluru is deemed to be Person Acting in Concert ("PAC"), for the purpose of this Open Offer in terms of Regulations 2(1)(q) of the SEBI (SAST) Regulations, 2011.

4.A.1.7 Acquirer 1 has not been prohibited by SEBI from dealing in securities in terms of Section 11B of SEBI Act, 1992 as amended (the "SEBI Act") or under of the regulations made under the SEBI Act.

4.A.1.8 The financial information of Spice Lounge LLP is as follows:

Profit and Loss Statement	(Amount in Lakhs)			
	As on 31 st December, 2023 (Limited Reviewed)	As on 31 st March, 2023 (Audited)	As on 31 st March, 2022 (Audited)	As on 31 st March, 2021 (Audited)
Income from Operations	0.00	0.00	0.00	0.00
Other Income	0.00	0.00	0.00	0.22
Total Income	0.00	0.00	0.00	0.22
Total Expenditure (excluding Depreciation, Interest and Tax)	139.17	114.03	76.34	80.79
Profit/(Loss) before Depreciation, Interest and Tax	-139.17	-114.03	-76.34	-80.58

Depreciation	0.06	0.29	0.29	0.00
Finance Costs	3.09	17.20	0.36	0.36
Profit before Tax , extraordinary and exceptional items	-142.33	-131.52	-76.99	-80.94
Extraordinary and Exceptional Items	0.00	0.00	0.00	0.00
Profit before Tax and after extraordinary and exceptional items	-142.33	-131.52	-76.99	-80.94
Current Tax	0.00	0.00	0.00	0.00
Deferred Tax	0.00	0.00	0.00	0.00
Profit/(loss) after tax	-142.33	-131.52	-76.99	-80.94

(Amount in Lakhs)

Balance Sheet	As on 31st December, 2023 (Limited Reviewed)	As on 31st March, 2023 (Audited)	As on 31st March, 2022 (Audited)	As on 31st March, 2021 (Audited)
Sources of funds				
Partner's Contribution	1,200.20	1,200.20	1,200.20	1,200.20
Reserves & Surplus	-481.59	-339.27	-207.75	-130.76
Net Worth	718.61	860.94	992.46	1,069.45
Secured loans	-	-	-	-
Unsecured loans	1,645.65	1,489.04	1,505.10	971.53
Current Liabilities	135.62	142.80	73.25	41.74
Short Term Provisions	11.28	1.92	4.84	0.95
Total	2,511.16	2,494.70	2,575.65	2,083.68
Uses of funds				
Net Fixed Assets	0.80	0.86	1.15	-
Investments	1,196.80	1,197.31	1,117.31	1,117.31
Other Non-Current Asset	1,296.88	1,283.87	1,452.81	952.96
Net Current Assets	16.69	12.66	4.38	13.41
Total miscellaneous expenditure not written off	-	-	-	-
Total	2,511.16	2,494.70	2,575.65	2,083.68

Other Financial Data	As on 31st December, 2023 (Limited Reviewed)	As on 31st March, 2023 (Audited)	As on 31st March, 2022 (Audited)	As on 31st March, 2021 (Audited)
Dividend (%)	NA	NA	NA	NA
Earnings per share (Rs.)	NA	NA	NA	NA

4.A.1.9 As on date of this DLOF, the Acquirer 1 does not have any major contingent liabilities.

4.A.1.10 Acquirer 2, Acquirer 3 & PAC 2 are the Designated Partners of Acquirer 1 and PAC 1 is the subsidiary of Spice Lounge LLP (Acquirer 1) who is holding 67.97% in PAC 1.

4.A.1.11 Acquirer 1 has confirmed that it is not categorized as a wilful defaulter in terms of Regulation 2(1)(ze) of the SEBI SAST Regulations 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.

- 4.A.1.12 Acquirer 1 has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.A.1.13 Acquirer 1 does not hold any equity shares in the Target Company and does not have any interest or relationship with the Target Company or its Promoters, Directors or its Key Managerial Personnel.
- 4.A.1.14 Acquirer 1 undertakes not to sell the Equity Shares of the Target Company held by it during the “Offer Period “in terms of Regulation 25(4) of the Takeover Regulations.
- 4.A.1.15 Acquirer 1 does not belong to any group.
- 4.A.1.16 M/s. S G V C & ASSOCIATES, Chartered Accountants, (FRN: 014862S) signed by its Partner Mr. CH VENKATA RAO (Membership No. 233997) having office at H No 7-1-396/B/2 4th Floor Sri Sai Nilayam Balkampet Road S R Nagar Hyderabad - 500039, Telangana, India has certified vide certificate dated 07th May, 2024 that the Net worth of Spice Lounge LLP as on 31st December, 2023 is Rs. 7,18,61,178/- (Rupees Seven Crores Eighteen Lakhs Sixty One Thousand One Hundred and Seventy Eight only).

A.2. MOHAN BABU KARJELA (“ACQUIRER 2”)

- 4.A.2.1 Mr. Mohan Babu Karjela (hereinafter referred to as “Acquirer 2”) is an Indian National aged about 47 years having PAN ICQPK3730K and having Indian residence at Flat No Villa No 39, The Trails Gated Community, Lanco Hills Road, Manikonda, K.v. Rangareddy, Telangana - 500089, India. His Mobile number is 6362672263 and his email id is mohan@spicelounge.com.
- 4.A.2.2 Acquirer 2 has done Bachelor of Engineering from Bangalore University and has about 27 years of extensive experience in IT & Staffing Solutions industry and food and beverages Industry.
- 4.A.2.3 He is the Designated Partner of Spice Lounge LLP, Hyderabad, India. His DIN is 08570948
- 4.A.2.4 He is associated with Chicken Wild Wings Private Limited, M Kitchens Private Limited, MWW Gachibowli Private Limited, Mirchi Wild Wings Private Limited, Teksoft Systems Private Limited and Wings Kitchens Private Limited as a Director. Further, he is associated with Fundrop Ventures LLP as a Designated Partner.
- 4.A.2.5 Acquirer 2 has confirmed that he is not categorized as a wilful defaulter in terms of Regulation 2(1)(ze) of the SEBI SAST Regulations 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.
- 4.A.2.6 Acquirer 2 has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
- 4.A.2.7 Acquirer 2 does not hold any equity shares in the Target Company and does not have any interest or relationship with the Target Company or its Promoters, Directors or its Key Managerial Personnel.
- 4.A.2.8 Acquirer 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.
- 4.A.2.9 M/s. S G V C & ASSOCIATES, Chartered Accountants, (FRN: 014862S) signed by its Partner Mr. CH VENKATA RAO (Membership No. 233997) having office at H No 7-1-396/B/2 4th Floor Sri Sai Nilayam Balkampet Road S R Nagar Hyderabad - 500039, Telangana, India has certified vide certificate dated 07th May, 2024 that the Net worth of Mohan Babu Karjela as on 1st May, 2024 is Rs. 17,42,70,032/- (Rupees Seventeen Crores Forty two Lakhs Seventy Thousand and Thirty two only).
- 4.A.2.10 Acquirer 2 does not belong to any group.

A.3. VENUGOPAL NAIDU KONGARLA VENKATESH (“ACQUIRER 3”)

- 4.A.3.1 Mr. Venugopal Naidu Kongarla Venkatesh (hereinafter referred to as “Acquirer 3”) is an Indian national aged about 44 years having PAN AYIPV3469L and having residence at No. 42, 25th Main 3rd B Cross, B T M 2nd Stage, Bangalore South, Bannerghatta Road, Bengaluru, Karnataka, 560076, India, His Mobile number is +91 9632336995 and his email id is venu@espicolounge.com.
- 4.A.3.2 Acquirer 3 hold degree of Diploma in Automobile Engineering from Board of Technical Examinations, Bangalore and has about 22 years of experience in Technical and Functional experience in Software, Finance and Accounts, IT & Staffing Solutions industry, Hospitality Industry, Food and Beverage Industry.
- 4.A.3.3 He is the Designated Partner of Spice Lounge LLP, Hyderabad, India. His DIN is 08561220.
- 4.A.3.4 He is associated with Mirchi Wild Wings Private Limited, Chicken Wild Wings Private Limited, Mww Gachibowli Private Limited, Wings Kitchens Private Limited, M Kitchens Private Limited and Teksoft Systems Private Limited as a Director. Further, he is associated with Skydance Hospitality LLP as a Designated Partner.
- 4.A.3.5 Acquirer 3 has confirmed that he is not categorized as a wilful defaulter in terms of Regulation 2(1)(ze) of the SEBI SAST Regulations 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.
- 4.A.3.6 Acquirer 3 has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.A.3.7 Acquirer 3 does not hold any equity shares in the Target Company and does not have any interest or relationship with the Target Company or its Promoters, Directors or its Key Managerial Personnel.
- 4.A.3.8 Acquirer 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.
- 4.A.3.9 M/s. S G V C & ASSOCIATES, Chartered Accountants, (FRN: 014862S) signed by its Partner Mr. CH VENKATA RAO (Membership No. 233997) having office at H No 7-1-396/B/2 4th Floor Sri Sai Nilayam Balkampet Road S R Nagar Hyderabad - 500039, Telangana, India has certified vide certificate dated 07th May, 2024 that the Net worth of Spice Lounge LLP as on 01st May, 2024 is Rs. 19,45,23,224/- (Rupees Nineteen Crores Forty five Lakhs Twenty three Thousand Two Hundred and Twenty four only).
- 4.A.3.10 Acquirer 3 does not belong to any group.

A.4. M KITCHENS PRIVATE LIMITED (“PAC 1”)

- 4.A.4.1 M Kitchens Private Limited is a private limited company incorporated on September 21, 2015. The CIN is U74900TG2015PTC100813. The Contact details of PAC 1 are as follow: Mobile number is 6362672263 and email id is mohan@espicolounge.com.
- 4.A.4.2 The Registered Office of the PAC 1 is located at H.No.8-2-293/82/A/806 & 806/1 & 807, Axis Towers Road No.36, Jubilee Hills, Hyderabad, Telangana, India, 500033.
- 4.A.4.3 PAC 1 has the object as per MOA that it can carry on the business of “restaurant” and “bar”, offering both dining and beverage services.

4.A.4.4 The Authorised, issued, Subscribed and Paid-up Equity Share Capital of the PAC 1 is Rs. 10,00,00,000 (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crores Only) Equity Shares of Rs.10 (Rupees Ten Only) each. The shares of the PAC 1 are not listed on any stock exchange.

4.A.4.5 The names of the key shareholders of the PAC 1 along with their shareholding percentage as on date are as follows:

S. No	Particulars	Shareholding as on 21/05/2024	
		Number of Equity Shares	Percentage holding
1	Spice Lounge LLP (Promoter)	67,97,368	67.97%
2	Ramesh Naidu Veluru* (Promoter)	17,19,022	17.19%
3	Venugopal Naidu Kongarla Venkatesh (Promoter)	12,33,610	12.34%
4	Venkata Udhay Mohan Reddy (Non-promoter)	1,50,000	1.50%
5	Vinod Reddy (Non-promoter)	1,00,000	1.00%
	Total	1,00,00,000	100.00%

* 4,85,411 is jointly held with Haripriya Veluru

4.A.4.6 The Board of Directors of PAC 1 comprises the following members:

Sl. No.	Name and Designation	DIN	Date of appointment
1	Ragam Rohan (Director)	08115010	23/04/2018
2	Venugopal Naidu Kongarla Venkatesh (Director)	08561220	01/10/2019
3	Mohan Babu Karjela (Director)	08570948	05/10/2019

4.A.4.7 PAC 1 is the subsidiary of Spice Lounge LLP (Acquirer 1) who is holding 67.97% in PAC 1.

4.A.4.8 PAC 1 has not been prohibited by SEBI from dealing in securities in terms of Section 11B of SEBI Act, 1992 as amended (the "SEBI Act") or under of the regulations made under the SEBI Act.

4.A.4.9 The financial information of PAC 1 is as follows:

Profit and Loss Statement	(Amount in Lakhs)			
	As on 31 st December, 2023 (Limited Reviewed)	As on 31 st March, 2023 (Audited)	As on 31 st March, 2022 (Audited)	As on 31 st March, 2021 (Audited)
Income from Operations	0.00	0.00	0.00	0.00
Other Income	0.00	0.00	0.00	0.00
Total Income	0.00	0.00	0.00	0.00
Total Expenditure (excluding Depreciation, Interest and Tax)	0.50	0.50	0.50	0.50
Profit/(Loss) before Depreciation, Interest and Tax	-0.50	-0.50	-0.50	-0.50
Depreciation	0.00	0.00	0.00	0.00
Finance Costs	0.00	0.00	0.00	0.00
Profit before Tax, extraordinary and exceptional items	-0.50	-0.50	-0.50	-0.50
Extraordinary and Exceptional Items	0.00	0.00	0.00	0.00
Profit before Tax and after extraordinary and exceptional items	-0.50	-0.50	-0.50	-0.50
Current Tax	0.00	0.00	0.00	0.00
Deferred Tax	0.00	0.00	0.00	0.00
Profit/(loss) after tax	-0.50	-0.50	-0.50	-0.50

(Amount in Lakhs)

Balance Sheet	As on 31st December, 2023 (Limited Reviewed)	As on 31st March, 2023 (Audited)	As on 31st March, 2022 (Audited)	As on 31st March, 2021 (Audited)
Sources of funds				
Paid up Equity Share Capital	1,000.00	1,000.00	1,000.00	1,000.00
Reserves & Surplus	1,601.73	1,602.23	1,602.73	1,603.23
Net Worth	2,601.73	2,602.23	2,602.73	2,603.23
Secured loans	-	-	-	-
Unsecured loans	-	-	-	-
Current Liabilities	24.80	24.80	24.80	24.80
Short Term Provisions	3.80	3.30	2.80	2.30
Total	2,630.33	2,630.33	2,630.33	2,630.33
Uses of funds				
Net Fixed Assets	-	-	-	-
Investments	1,200.00	1,200.00	1,200.00	1,200.00
Deferred Tax Assets (Net)	6.53	6.53	6.53	6.53
Other Non-Current Asset	1,253.13	1,253.13	1,253.13	1,253.13
Net Current Assets	170.67	170.67	170.67	170.67
Total miscellaneous expenditure not written off	-	-	-	-
Total	2,630.33	2,630.33	2,630.33	2,630.33

Other Financial Data	As on 31st December, 2023 (Limited Reviewed)	As on 31st March, 2023 (Audited)	As on 31st March, 2022 (Audited)	As on 31st March, 2021 (Audited)
Dividend (%)	-	-	-	-
Earnings per share (Rs.)	-0.005	-0.005	-0.005	-0.005

4.A.4.10 As on date of this DLOF, the PAC 1 does not have any major contingent liabilities.

4.A.4.11 Acquirer 1, Acquirer 3 & PAC 2 are the Promoters and shareholders of PAC 1 and PAC 1 is the subsidiary of Spice Lounge LLP (Acquirer 1) who is holding 67.97% in PAC 1.

4.A.4.12 PAC 1 has confirmed that it is not categorized as a wilful defaulter in terms of Regulation 2(1)(ze) of the SEBI SAST Regulations 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.

4.A.4.13 PAC 1 has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

4.A.4.14 PAC 1 does not hold any equity shares in the Target Company and does not have any interest or relationship with the Target Company or its Promoters, Directors or its Key Managerial Personnel.

4.A.4.15 PAC 1 undertakes not to sell the Equity Shares of the Target Company held by it during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.

4.A.4.16 M/s. S G V C & ASSOCIATES, Chartered Accountants, (FRN: 014862S) signed by its Partner Mr. CH VENKATA RAO (Membership No. 233997) having office at H No 7-1-396/B/2 4th Floor Sri Sai Nilayam Balkampet Road S R Nagar Hyderabad - 500039, Telangana, India has certified vide certificate dated 07th

May, 2024 that the Net worth of M Kitchens Private Limited as on 31st December, 2023 is Rs. 26,02,22,741/- (Rupees Twenty Six Crores Two Lakhs Twenty two Thousand Seven Hundred and Forty One only).

A.5. RAMESH NAIDU VELURU (“PAC 2”)

- 4.A.5.1 Mr. Ramesh Naidu Veluru (hereinafter referred to as “PAC 2”) is an Indian national aged about 56 years having PAN APDPV5478D and having residence at No. 33, 2nd Floor, 3rd B Cross, 25th Main, B T M Layout 2nd Stage, Bangalore South, Bengaluru, Karnataka, 560076, India, His Mobile number is +91 78480 32929 and his email id is ramesh@spicelounge.com.
- 4.A.5.2 PAC 2 has done Bachelor of Engineering from Karnatak University Dharwad and has about 30+ years of experience in F&B, Information Tech, and Healthcare industry.
- 4.A.5.3 He is the Designated Partner of Spice Lounge LLP, Hyderabad, India. His DIN is 05287438.
- 4.A.5.4 He is associated with Resourcepoint Technology Solutions Private Limited, Chicken Wild Wings Private Limited and Orthomaxx Healthcare Services Private Limited as a Director.
- 4.A.5.5 PAC 2 has confirmed that he is not categorized as a wilful defaulter in terms of Regulation 2(1)(ze) of the SEBI SAST Regulations 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.
- 4.A.5.6 PAC 2 has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.A.5.7 PAC 2 does not hold any equity shares in the Target Company and does not have any interest or relationship with the Target Company or its Promoters, Directors or its Key Managerial Personnel.
- 4.A.5.8 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.
- 4.A.5.9 M/s. S G V C & ASSOCIATES, Chartered Accountants, (FRN: 014862S) signed by its Partner Mr. CH VENKATA RAO (Membership No. 233997) having office at H No 7-1-396/B/2 4th Floor Sri Sai Nilayam Balkampet Road S R Nagar Hyderabad - 500039, Telangana, India has certified vide certificate dated 07th May, 2024 that the Net worth of PAC 2 as on 01st May, 2024 is Rs. 18,58,55,440/- (Rupees Eighteen Crores Fifty Eight Lakhs Fifty Five Thousand Four Hundred and Forty only).
- 4.A.5.10 PAC 2 does not belong to any group.

5. BACKGROUND OF THE TARGET COMPANY, AS CONFIRMED BY THE TARGET COMPANY

- 5.1 Shalimar Agencies Limited (hereinafter referred to as “Target Company” or “SAGL”) (CIN: L51226TG1981PLC114084) was incorporated on 4th June, 1981 as a Public Limited Company under the Indian 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.
- 5.2 The registered office of SAGL is situated at Plot. No 19, Sanali Spazio, Software Unit Layout, Cyber Tower Area, Madhapur, Rangareddy, Hyderabad, Telangana, 500081.
- 5.3 Currently, The Target Company’s business as per the objects in MOA involves IT Services and Solutions.
- 5.4 The Authorized Share Capital of SAGL as on 31st March, 2024 is Rs. 70,00,00,000 (Seventy Crores) comprising of 7,00,00,000 (Seven Crores) equity shares of Face Value Rs.10 /- each. The issued, subscribed, paid-up and

voting share capital of Target Company is Rs. 3,00,10,000 (Three Crores Ten Thousand) comprising of 30,01,000 (Thirty Lakhs One Thousand) fully paid-up equity shares of Face Value of Rs. 10/- each.

5.5 The Equity shares of SAGL are currently listed on BSE Limited (“BSE”) (Scrip Symbol: SAGL; Scrip Code: 539895), The Calcutta Stock Exchange of India Limited (“CSE”) (Scrip Code: 29286) and Metropolitan Stock Exchange of India Limited (“MSEI”) (Scrip Symbol: SAGL). The ISIN of Equity Shares is INE631E01016.

5.6 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.

5.7 The equity shares of SAGL are infrequently traded on BSE in terms of Regulation 2(1)(j) of SEBI SAST Regulations.

5.8 The Share Capital of the Target Company is as follows: -

Paid up Equity shares of Target Company	No. of shares/ voting rights	% of shares/ voting rights
Fully Paid up equity Shares	30,01,000	100
Partly Paid up equity shares	-	-
Total paid up equity shares	30,01,000	100
Total Voting rights in Target Company	30,01,000	100

5.9 The Board of Target Company as on the date of this Draft Letter of Offer, comprises of 6(Six) Directors.

Name & Designation	DIN	Date of Appointment
Babu Edamalapati Purushotam (Managing Director)	03466935	30/04/2024
Nomula Srinivas (Wholetime Director)	07496152	23/07/2022
Siva Prasad Gorthy (Non- Executive Independent Director)	09137211	12/04/2021
Janaki Yarlagadda (Wholetime Director)	02129823	23/07/2022
Mayank Puran Chandra Joshi (Non-Executive Independent Director)	07830843	30/09/2021
Srikonda Anupama (Non-Executive Independent Director)	10242417	18/10/2023

Note: As on the date of this Draft Letter of Offer, there are no persons representing the Acquirers or PACs on the Board of Directors of the Target Company.

5.10 There was no merger/ demerger, spin off during last three years involving the Target Company.

5.11 The trading of Equity Shares of the Target Company has not been suspended on the BSE, MSEI & CSE where Equity Shares of the Target Company are listed in last three years.

5.12 Brief audited financials for the years ending March 31, 2024, 2023 and 2022 and unaudited financials (subject to limited review) for nine months ended 31st December 2023 are as follows: -

Profit & Loss Account		(Amount in Lakhs)			
Particulars	For the Financial period ended 31 st December, 2023	For the Financial year ended 31 st March, 2024	For the Financial year ended 31 st March, 2023	For the Financial year ended 31 st March, 2022	
	[Limited Reviewed]	[Audited]	[Audited]	[Audited]	
Income from Operations	0.00	0.00	0.00	0.00	
Other Income	0.00	0.00	0.00	0.00	
Total Income	0.00	0.00	0.00	0.00	
Other Financial Data					
Dividend (%)	0.00	0.00	0.00	0.00	
Total Expenditure (excluding Depreciation, Interest and Tax)	0.13	4.75	8.17	10.28	
Earning per Share	-0.01	-0.17	-0.29	-0.36	
Profit/(Loss) before Depreciation	-0.13	-4.75	-8.17	-10.28	
Return on Net worth	-0.15	-1.83	-3.00	-3.63	
Book Value Per Share	9.51	9.35	9.53	9.81	
Depreciation	0.33	0.44	0.44	0.44	
Finance Costs (Interest)	0.00	0.00	0.00	0.00	
Profit before Tax , extraordinary and exceptional items	-0.46	-5.19	-8.61	-10.72	
Extraordinary and Exceptional Items	0.00	0.00	0.00	0.00	
Profit before Tax and after extraordinary and exceptional items	-0.46	-5.19	-8.61	-10.72	
Current Tax	0.00	0.00	-0.04	-0.03	
Deferred Tax	-0.04	-0.05	0.00	0.00	
Profit/(loss) after tax	-0.42	-5.14	-8.57	-10.69	

Balance Sheet		(Amount in Lakhs)		
Particulars	For the Financial year ended 31 st March, 2024	For the Financial year ended 31 st March, 2023	For the Financial year ended 31 st March, 2022	
	[Audited]	[Audited]	[Audited]	
Sources of funds				
Paid up Equity Share Capital	300.10	300.10	300.10	
Reserves & Surplus (excluding revaluation reserve)	-19.38	-14.23	-5.65	
Net Worth	-280.72	285.87	294.45	
Share Application Money pending Allotment	-	-	-	
Secured loans	-	-	-	
Unsecured loans	-	-	-	
Other Current Liabilities	129.21	124.59	30.95	

Short Term Provisions	-	-	-
Total	409.93	410.46	325.39
Uses of funds			
Net Fixed Assets	1.77	2.21	2.65
Investments	-	-	-
Deferred Tax Assets (Net)	0.14	0.09	0.05
Other Non-Current Asset	-	-	-
Net Current Assets	408.02	408.17	322.69
Total	409.93	410.46	325.39

Restricted to information available on the public domain

5.13 Pre and Post-Offer shareholding pattern of the SAGL is as per the following table: -

S.No.	Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shareholding & Voting Rights acquired through SPA and agreed to be acquired which triggered the open offer		Shareholding & Voting Rights acquired through Preferential Issue which triggered the open offer		Shares/Voting rights to be acquired in open offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and offer	
		(A)		(B)		(C)		(D)		(A)+(B)+(C)+(D)	
		No.	%	No.	%	No.	%*	No.	%*	No.	%*
(1) Promoter Group											
(a) Parties to the Share Purchase Agreement											
IT Trailblazers Resources Private Limited	18,67,738	62.24	-18,67,738	-62.24	-	-	-	-	-	-	-
Total (a)	18,67,738	62.24	-18,67,738	-62.24	-	-	-	-	-	-	-
(b) Promoters other than (a) above											
Total (b)	-	-	-	-	-	-	-	-	-	-	-
Total 1 (a+b)	18,67,738	62.24	-18,67,738	-62.24	-	-	-	-	-	-	-
(2) Acquirers											
a. Main acquirers											
i. Spice Lounge LLP	-	-	3,73,548	12.45	-	-	11,33,262	1.63	3,57,51,252	51.28	
ii. Mohan Babu Karjela	-	-	11,20,642	37.34	2,67,22,715	38.33					
iii. Venugopal Naidu Kongarla Venkatesh	-	-	3,73,548	12.45	60,27,537	8.65					
Total 2(a) (i+ii+iii)	-	-	18,67,738	62.24	3,27,50,252	46.98	11,33,262	1.63	3,57,51,252	51.28	
b. PACs											
i. M Kitchens Private Limited	-	-	-	-	99,60,000	14.29	-	-	99,60,000	14.29	-
ii. Ramesh Naidu Veluru	-	-	-	-	-	-	-	-	-	-	-
Total 2(b) (i+ii)	-	-	-	-	99,60,000	14.29	-	-	99,60,000	14.29	-
Total 2 (a+b)	-	-	18,67,738	62.24	4,27,10,252	61.27	11,33,262	1.63	4,57,11,252	65.57	
(3) Public (other than parties to the agreement, acquirers & PACs)											
a) Institutions (FIs/MFs/FIIs/Banks, SFIs)	-	-	-	-	-	-	-11,33,262	-1.63	2,40,01,008	34.43	
b) Others	11,33,262	37.76	-	-	2,40,01,008	34.43					
Total (3) (a+b)	11,33,262	37.76	-	-	2,40,01,008	34.43					
GRAND TOTAL (1+2+3)	30,01,000	100.00	-	-	6,67,11,260	95.70	-	-	6,97,12,260	100.00	

Note: * This percentage has been calculated on the basis of Expanded share Capital/ Emerging fully diluted voting Equity share capital of the target company which constitutes existing Share capital of 30,01,000 equity

shares and proposed Preferential issue of 6,67,11,260 Equity shares accumulating to 6,97,12,260 shares.

*11,33,262 Equity shares represents 100% of public holding, Spice Lounge LLP will acquire shares of the Target Company together with other acquirers offered by the Public Shareholders in the Open Offer. The same will depend on the quantum of shares tendered by the Shareholders in the Open Offer.

5.14 The number of shareholders in SAGL in public category is 559 as on 31st March, 2024.

5.15 Compliance Officer

Surabhi Dayal

Company Secretary cum Compliance Officer

Shalimar Agencies Limited

Plot. No 19, Sanali Spazio, Software Unit Layout, Cyber Tower Area, Madhapur, Rangareddy, Hyderabad, Telangana, 500081

Mob. No. +91 99052 88256

Email: cssurabhidayal@gmail.com ;

Website: www.shalimaragencieslimited.com

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of offer price

6.1.1 The equity shares of the Target Company are listed on BSE, MSEI & CSE.

6.1.2 The trading turnover in the equity shares of the Target Company on BSE, during the twelve calendar months preceding the month in which the PA was issued (i.e., 1st May 2023 to 30th April, 2024) 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	55,792	30,01,000	1.86%

(Source: www.bseindia.com)

Based on the above, the equity shares are infrequently trade in terms of Regulation 2(1)(j) of the SEBI SAST Regulations, 2011.

6.1.3 The Offer Price of Rs. 15/- per equity share is justified in terms of Regulation 8(2) of the SEBI SAST Regulations, 2011 being the highest of the following:

(a)	The Negotiated Price under the Agreement.	Rs. 15/-
(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
(e)	Other financial parameters as at	
	Return on networth (%) (as on 31 st December 2023)	(0.15)%
	Book value per share (Rs.) (as on 31 st December 2023)	9.51

Value per share as per Profit Earning capacity method (as on 31 st December 2023)	(1.29)
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As per CA A.N Gawade, Registered Valuer, Regn no: IBBI/RV/05/2019/10746 having its office at 7, Saraswati Heights, Behind café Goodluck, Deccan Gymkhana, Pune-411004, the fair value per equity share of Target Company is Rs. 15/-per share.

- 6.1.4. In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 15/- (Rupees Fifteen only) per fully paid-up equity share is justified in terms of Regulation 8 of the SEBI SAST Regulations.
- 6.1.5. 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 Acquirers 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.
- 6.1.6. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- 6.1.7. If the Acquirers acquire 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 Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI SAST Regulations, 2011 or pursuant to SEBI (Delisting of Equity Shares), Regulations, 2021 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.
- 6.1.8. If the Acquirers 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.
- 6.2 Details of Financial Arrangements:**
- 6.2.1. The maximum consideration payable by the Acquirers to acquire 11,33,262 fully paid-up equity shares at the Offer Price of Rs. 15/- (Rupees Fifteen only) per equity share, assuming full acceptance of the Offer would be Rs. 1,69,98,930 (Rupees One Crores Sixty Nine Lakhs Ninety Eight Thousand Nine Hundred and Thirty Only).
- 6.2.2. The Acquirers confirm that they have made firm financial arrangements for fulfilling the payment obligations under this Offer in terms of Regulation 25(1) of the SEBI SAST Regulations and they are able to implement this Offer. M/s. S G V C & ASSOCIATES, Chartered Accountants, (FRN: 014862S) signed by its Partner Mr. CH VENKATA RAO (Membership No. 233997) having office at H No 7-1-396/B/2 4th Floor Sri Sai Nilayam Balkampet Road S R Nagar Hyderabad - 500039, Telangana, India has certified vide certificate dated 07th May, 2024 that the Acquirers have made firm financial arrangements to meet the financial obligations under the Offer.
- 6.2.3. In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirers, Manager to the Offer and Kotak Mahindra Bank ("Escrow Banker") have entered into an escrow agreement on 7th May, 2024. Pursuant to the escrow agreement the Acquirers have opened an Escrow Account under the name and style of "FMSL SAL OPEN OFFER ESCROW ACCOUNT" bearing account number 9149389403 with Kotak Mahindra Bank Limited, Nariman Point Branch, Mumbai and made therein a cash deposit of Rs. 47,50,000/- (Rupees Forty Seven Lakhs Fifty Thousand only) being more than 25% of the total consideration payable in the Open Offer.

- 6.2.4. The Acquirers have authorized the Manager to the Offer to operate the Escrow Account in terms of the SEBI SAST Regulations
- 6.2.5. Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI SAST Regulations.
- 6.2.6 In case of any upward revision in the Offer Price or the size of the Open Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI SAST Regulations, prior to effecting such revision.

7.0 TERMS AND CONDITIONS OF THE OFFER

- 7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2 This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- 7.1.3 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirers) whose name appear on the Register of Members and whose names appear on the beneficial records of the Depository Participant, at the close of business hours on Friday, 14th June, 2024 (“Identified Date”).
- 7.1.4 The Offer is subject to the terms and conditions set out in the Letter of Offer, the Form of Acceptance cum Acknowledgement, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.5 The acceptance of this Offer by the Shareholders must be absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 7.1.6 Eligible persons can write to the Registrar to the Offer/ Manager to the Offer requesting for the copy of the Letter of Offer. Alternatively, the Letter of Offer would also be available at SEBI’s website, www.sebi.gov.in.
- 7.1.7 Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non-receipt of this Draft Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.8 The shareholders to whom the Open Offer is being made are free to offer their Equity Shares in whole or in part while accepting the Open Offer.
- 7.1.9 The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free and clear from all liens, charges, equitable interests and encumbrances and are tendered together with all rights attached thereto, including the rights to all dividends, bonus and rights offers, if any, declared thereafter and the tendering Public Shareholder shall have obtained any necessary consents (including any statutory approvals, if required) for it to sell the Equity Shares on the foregoing basis.
- 7.1.10 In terms of Regulation 18(9) of the SEBI SAST Regulations, the shareholders who have accepted this Open Offer by tendering the Equity Shares held by them and requisite documents in terms of the PA, DPS and Letter of Offer are not entitled to withdraw such acceptance during the Tendering Period for this Open Offer
- 7.1.11 The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgment constitute part of the terms of the Offer.

7.2 Locked in shares

The Equity Shares of the Target Company are not subjected to lock in.

7.3 Persons eligible to participate in the Offer

All the owners of the equity shares of the Target Company, registered or unregistered are eligible to participate in this Open Offer, at any time during the Tendering Period for this Open Offer.

7.4 There has been no revision in the Offer Price as of the date of this Draft Letter of Offer. Further revisions in the Offer Price for any reason including competing offers shall be done prior to the commencement of the last one working day before the commencement of the tendering period and will be notified to the Shareholders by (i) notification to the Stock Exchanges, SEBI and the Target Company at its registered office, and (ii) public announcement in the same newspapers in which the DPS has been published. Such revision would be done in compliance with other formalities prescribed under the SEBI SAST Regulations, 2011.

7.5 Statutory and Other Approvals

7.5.1 The Preferential issue of Equity Shares by the Target Company is subject to the shareholders approval in the ensuing Extraordinary General meeting to be held on 3rd June, 2024 and prior approval of Designated Stock Exchange- BSE Limited where shares of the Target Company are Listed ("BSE") and other requisite approvals, consents, permissions and/or sanctions, from appropriate statutory, regulatory or other authority (including RBI) and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be agreed to by the Board of Directors of the Company.

7.5.2 As of the date of this DLOF, to the best of the knowledge of the Acquirers and PACs, there are no statutory approvals required by the Acquirers and/or the PACs to acquire the equity shares tendered pursuant to this Offer other than an approval of the Reserve Bank of India, if any, for the acquisition of the Equity Shares from the non-resident shareholders (Non-Resident Indians ("NRIs") or Overseas Corporate Bodies ("OCBs")/Foreign Shareholders) of the Target Company. NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserves the right to reject such Equity Shares tendered in this Offer. However, in case of any statutory approvals being required by the Acquirers at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirers shall make the necessary applications for such approvals. The Acquirers will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI SAST Regulations.

7.5.3 In case of delay in receipt of any statutory approval(s) becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) and 18(11A) of the SEBI SAST Regulations. Provided where the statutory approvals extend to some but not all equity shareholders, the Acquirers has the option to make payment to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer. Further, in case the delay occurs on account of willful default by the Acquirers in obtaining any statutory approvals in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI SAST Regulations.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 All the shareholders, registered or unregistered, of the Target Company, except the Acquirers and PACs owning equity shares any time before the date of Closure of the Offer, are eligible to participate in the Offer.
- 8.2 The Offer is made to the Public Shareholders as defined in this Draft Letter of Offer. While the Letter of Offer shall be dispatched to the Public Shareholders of the Target Company whose name appears in the register of members of the Target Company as of the Identified Date, all Public Shareholders holding Equity Shares in dematerialised and physical form are eligible to participate in the Offer at any time during the Tendering Period.
- 8.3 The Open Offer will be implemented by the Acquirers through a stock exchange mechanism made available by Stock Exchanges in the form of a separate window ("**Acquisition Window**") as provided under the SEBI SAST Regulations, 2011 and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI /HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and such other terms and conditions as may be permitted by law from time to time.
- 8.4 BSE shall be designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.
- 8.5 The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of Acquisition Window.
- 8.6 The Acquirers have appointed Nikunj Stock Brokers Limited ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period. The Contact details of the Buying Broker are as mentioned below:

Nikunj Stock Brokers Limited

Address: A-92, GF, Left Portion, Kamla Nagar, Delhi-110007

Email ID: Complianceofficer@nikunjonline.com, Website: www.nikunjonline.com,

Investor Grievance Id: ig.nikunj@nikunjonline.com, Contact Person: Mr. Anupam Suman

Tel No: 011-47030017-18, Mobile No.: 9999492292, SEBI Registration No: INZ000169335

- 8.7 All Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("**Selling Broker**"), during the normal trading hours of the secondary market during the Tendering Period. The Acquisition Window will be provided by the Stock Exchange to facilitate placing of sell orders.
- 8.8. **Procedure for tendering shares held in Dematerialized Form.**
- a) Public Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Offer.
 - b) Public Shareholders shall submit delivery instruction slip ("**DIS**") duly filled in specifying the appropriate market type in relation to the "Open Offer" and execution date along with all other details to their respective Selling Broker so that the shares can be tendered in the Offer.
 - c) The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of BSE. Before placing the order/bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay-in mechanism as prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker. Upon placing the order, the Selling Broker shall provide TRS generated by the Stock Exchange bidding system to the holder of the Equity Shares.

- d) modification/cancellation of orders will not be allowed during the Tendering Period of the Offer.
- e) 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.
- f) 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.
- g) Upon placing the order, the Selling Broker(s) shall provide 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.
- h) The public 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.
- i) 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.
- j) All non-resident Public Shareholders (i.e. Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance. The non-resident Public Shareholders holding Equity Shares in demat mode, directly or through their respective Selling Brokers, are required to send the Form of Acceptance along with the required documents to the Registrar to the Offer at its address given on the cover page of the LOF. The envelope should be super scribed as “Shalimar Agencies Limited Open Offer”. The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance.

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

8.9. 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 (LODR) Regulations and SEBI’s press release dated December 3, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 1, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, the procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below:

- a) Public Shareholders who are holding Equity Shares in physical form and intend to participate in the Open Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out, including the (i) original share certificate(s), (ii) valid share transfer form(s), i.e Form SH-4, duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place, (iii) self-attested copy of the shareholder’s PAN Card, (iv) Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint Public Shareholders whose name(s) appears on the share certificate(s) in the same order in which they hold Equity Shares, and (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/

specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.

- b) In addition, if the address of the Public Shareholder has undergone a change from the address registered in the 'Register of Members' of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar card, (ii) voter identity card; or (iii) passport.
- c) Based on these documents, the Selling Broker shall place the bid on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of BSE. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip ("TRS") generated by the BSE bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, share certificate number, distinctive number of Equity Shares tendered etc.
- d) The Selling Broker/ Public Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with the TRS either by registered post / speed post or courier or hand delivery to the Registrar to the Offer i.e., Aarthi Consultants Private Limited (at the following address: 1-2-285, Domalaguda, Hyderabad, Telangana, 500029, India) so as to reach them within 2 (two) working days of offer closing date i.e. by 16th July, 2024 (by 5.00 p.m. (IST)). The envelope should be super scribed as "Shalimar Agencies Limited Open Offer". It is advisable to first email scanned copies of the original documents mentioned in the Letter of Offer to the Registrar to the Offer and then send physical copies to the address of the Registrar to the Offer as provided in the LOF. 1 (one) copy of the TRS will be retained by the Registrar and it will provide acknowledgement of the same to the Selling Broker / Public Shareholder.
- e) The Public Shareholders holding Equity Shares in physical form should note that such Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares in physical form shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, they will be treated as 'confirmed bids'.
- f) All documents as mentioned above, shall be enclosed with the Form of Acceptance, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Form of Acceptance instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholders; (iii) If the Public Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance and Form SH-4 does not match as per the specimen signature recorded with Target Company / registrar of the Target Company.
- g) In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of having the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date.

The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance-cum-Acknowledgement.

8.10. Procedure for Tendering the Shares in case of Non-Receipt of the Letter of Offer:

- a) Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- b) A Shareholder may participate in the Offer by approaching their broker/Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in this Draft Letter of Offer or in the relevant Form of Acceptance cum Acknowledgement Form.
- c) The Letter of Offer alongwith Form of Acceptance cum Acknowledgement Form will be dispatched to all the Eligible Public Shareholders of the Target Company as appearing in the list of members of the Target Company as on the Identified Date. A Public Shareholder receiving the LOF along with the Form of Acceptance through electronic mode will be entitled to be furnished with a physical copy of the said documents upon receipt of requisition, if any, by e-mail at info@aarthiconsultants.com or by a letter addressed to the Registrar to the Offer. In case of non-receipt of the Letter of Offer, such Eligible Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares. Alternatively, you can download the soft copy from the registrar's website www.aarthiconsultants.com.
- d) Alternatively, in case of non-receipt of the Letter of Offer, the Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents as mentioned in the Letter of Offer. Such Shareholders have to ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

8.11. Acceptance of Equity Shares

- a) Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- b) 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 Acquirers 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.

8.12. 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.
- b) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- c) Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favor of Clearing Corporation.
- d) For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Shareholders. If relevant Shareholders' bank account details are not available or if the funds transfer instruction are rejected by RBI / relevant bank due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

- e) In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for onwards releasing the same to the relevant Shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Offer.
- f) The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the Equity Shares under the Offer. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Shareholders would be returned to them by the Clearing Corporation.
- g) Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, 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 Offer consideration received by the Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirers and the Manager to the Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Shareholders.
- h) Buying Broker would also issue a contract note to the Acquirers for the Equity Shares accepted under the Offer.
- i) Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the Acquirers. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- j) In case of delay in receipt of any statutory approval(s), SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approval, and subject to such terms and conditions as specified by SEBI (including payment of interest in accordance with Regulation 18(11) & 18 (11A) of the SEBI SAST Regulations, 2011 grant an extension of time to the Acquirers pending receipt of such statutory approval(s) to make the payment of the consideration to the Shareholders whose Equity Shares have been accepted in the Offer.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the public shareholders of Target Company at the office of the Manager to the Offer, Finshore Management Services Limited, Kolkata on any day (except Saturdays, Sundays and public holidays) between 10.30 a. m. to 2.00 p.m. during the period from the Date of Commencement of the Tendering Period till the Date of Closing of the Tendering Period and also Shareholders can inspect the above mentioned documents online through the following link: <https://finshoregroup.com/docsforinspection> by entering their DP ID - Client ID or FOLIO Number along with PAN during the above mentioned tendering period.

1. Certificate of Incorporation, Memorandum and Articles of Association of the Target Company
2. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer 1 & PAC 1
3. Audited Financials of Shalimar Agencies Limited for the year ended 31st March, 2024, 2023 and 2022 and unaudited financials (subject to limited review) for the period ended 31st December, 2023.
4. Audited Financials of Acquirer 1 & PAC 1 for the year ended 31st March, 2023, 2022 and 2021 and unaudited financials (subject to limited review) for the period ended 31st December, 2023.

5. Networth certificate dated 7th May, 2024 for Acquirer 1 & PAC 1 as on 31st December,2023 and Networth certificate dated 7th May, 2024 for Acquirer 2, Acquirer 3 & PAC 2 as on 1st May, 2024 issued by M/s. S G V C & ASSOCIATES, Chartered Accountants, (FRN: 014862S) signed by its Partner Mr. CH VENKATA RAO (Membership No. 233997) having office at H No 7-1-396/B/2 4th Floor Sri Sai Nilayam Balkampet Road S R Nagar Hyderabad - 500039, Telangana, India
6. Valuation Reports issued by Mr. A.N. Gawade, IBBI Regn No. IBBI/RV/05/2019/10746 having office at 7, Saraswati Heights, Behind café Good Luck, Deccan Gymkhana, Pune-411004
7. Memorandum of Understanding dated 7th May, 2024 between Lead Manager i.e. Finshore Management Services Limited and the Acquirers.
8. Copy of the SPA dated 7th May, 2024 amongst the Acquirers, Sellers and Target Company for acquisition of Equity Shares, which triggered the Open Offer.
9. Copy of Escrow Agreement amongst the Acquirers, Kotak Mahindra Bank Limited and Finshore Management Services Limited dated 7th May, 2024.
10. Copy of Letter dated 10th May, 2024 from Kotak Mahindra Bank Limited confirming the cash deposit of Rs. 47,50,000 (Rupees Forty Seven Lakhs Fifty Thousand only) in the escrow account.
11. Copy of the Public Announcement dated 7th May, 2024 and published copy of the Detailed Public Statement dated 14th May, 2024.
12. Copy of the recommendation made by Committee of Independent Directors of the Target Company, as required under Regulation 26(7) of SEBI SAST Regulations, 2011.
13. SEBI Observation Letter dated [●],bearing reference number [●].

10. DECLARATION BY THE ACQUIRERS & PACS

10.1 The Acquirers and PACs namely, Spice Lounge LLP, Mr. Mohan Babu Karjela, Mr. Venugopal Naidu Kongarla Venkatesh, M Kitchens Private Limited, Mr. Ramesh Naidu Veluru accepts full responsibility for the information contained in this DLOF (other than information regarding the Target Company and information compiled from publicly available sources or provided by the Target Company, which has not been independently verified by the Acquirers, PACs or the Manager to the Offer).

The Acquirers & PACs also accept full responsibility for their obligations under the Open Offer and shall be responsible for the fulfillment of obligation as laid down in the SEBI SAST Regulations.

10.2 The information contained in this Draft Letter of Offer is as of the date of this Draft Letter of Offer, unless expressly stated otherwise.

For and on behalf of Acquirers and PACs

Acquirer 1	Acquirer 2	Acquirer 3	PAC 1	PAC 2
Spice Lounge LLP	Mr. Mohan Babu Karjela	Mr. Venugopal Naidu Kongarla Venkatesh	M Kitchen Private Limited	Mr. Ramesh Naidu Veluru
Sd/- Mohan Babu Karjela	Sd/-	Sd/-	Sd/- Mohan Babu Karjela	Sd/-

Date: Kolkata
Place: 21st May, 2024

Encl.:

1. Form of Acceptance-cum-Acknowledgement
2. Form No. SH-4 -Securities Transfer Form

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

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

(Please send this Form with TRS generated by selling broker and enclosures to Registrar to the Offer, Aarthi Consultants Private Limited, at their address given in the Letter of Offer as per the mode of delivery mentioned in the Letter of Offer)

From	
Name:	
Address:	
Tel. No.	
Fax:	
Email:	

TENDERING PERIOD FOR THE OFFER	
OFFER OPENS ON	: Monday, 1 st July, 2024
OFFER CLOSES ON	: Friday, 12 th July, 2024

To,
The Acquirers (Spice Lounge LLP, Mr. Mohan Babu Karjela, Mr. Venugopal Naidu Kongarla Venkatesh)
C/o. Aarthi Consultants Private Limited
 Unit: Shalimar Agencies Limited – Open Offer
 "1-2-285, Domalaguda, Hyderabad, Telangana, 500029, India
 Tel. : 040 - 27638111 / 27634445

Dear Sir/Madam,

Sub: Open Offer for acquisition of upto 11,33,262 Equity Shares, constituting 100% of the Issued Subscribed, Paid-up and Voting Capital of Shalimar Agencies Limited ("Target Company") from the Public Shareholders of the Target Company by Spice Lounge LLP, Mr. Mohan Babu Karjela, Mr. Venugopal Naidu Kongarla Venkatesh ("Acquirers") under the SEBI SAST Regulations, 2011 (" Offer").

I/ We refer to the Letter of Offer dated [●] for acquiring the Equity Shares held by me in **M/s. Shalimar Agencies Limited.**

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

NAME (in BLOCK LETTERS)	HOLDER	NAME OF THE SHAREHOLDER(S)	PERMANENT ACCOUNT NUMBER (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:	
------------------------------------	--

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

I /We, unconditionally Offer to sell to the Acquirers the following equity shares in Target Company held by me at a price of Rs. 15/- (Rupees Fifteen only) per fully paid-up equity share.

I /We, confirm that the Equity 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 and that I have obtained any necessary consents to sell the Equity Shares on the foregoing basis.

I /We, confirm that I am not a person acting in concert with the Acquirers.

I /We also note and understand that the obligation on the Acquirers to pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance-cum-Acknowledgment.

I /We, confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961. I am not debarred from dealing in Equity Shares.

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, I will indemnify the Acquirers for such income tax demand (including interest, penalty, etc.) and provide the Acquirers with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

I /We, note and understand that the Equity Shares will be held in trust for me by the Registrar to the Offer/Clearing Corporation until the time the Acquirers pays the purchase consideration as mentioned in the Letter of Offer.

I /We, note and understand that the Equity Shares would lie with the Clearing Corporation until the time the Acquirers make payment of purchase consideration as mentioned in the Letter of Offer. I authorize, the Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer and I further authorize the Acquirers to return to me, Equity Shares in respect of which the Open Offer is not found valid/not accepted without specifying the reasons thereof.

I /We, confirm that my status as a shareholder is (“√” whichever is applicable)

<input type="checkbox"/> Individual	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> FII/FPI - Corporate	<input type="checkbox"/> FII/FPI - Others	<input type="checkbox"/> FVCI
<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Private Equity Fund / AIF	<input type="checkbox"/> Pension/ Provident Fund	<input type="checkbox"/> Sovereign Wealth Fund	<input type="checkbox"/> Partnership/ Proprietorship Firm
<input type="checkbox"/> Financial Institution	<input type="checkbox"/> NRIs/PIOs repatriable	<input type="checkbox"/> NRIs/ PIOs - non Repatriable	<input type="checkbox"/> OCB	<input type="checkbox"/> QFI
<input type="checkbox"/> Domestic Company	<input type="checkbox"/> Domestic Trust	<input type="checkbox"/> Insurance Company	<input type="checkbox"/> Banks	<input type="checkbox"/> Others - please Specify

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

I /We, confirm that my investment status is (please provide supporting documents and “√” whichever is applicable)

- FDI Route
- PIS Route
- Any other - please specify _____

I /We, confirm that the Offer Shares tendered by me 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.

BANK DETAILS

Name of the Bank	
Branch	
Account Number	
IFSC Code	
MICR Code	
Savings/Current/(Others: Please specify)	

Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the Depositories.

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

Yours faithfully,

Signed & Delivered:

	Full Name	PAN	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

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 – Shalimar Agencies Limited- Open Offer

Received from Mr./Ms./M/s _____

Address: _____

Form of Acceptance-cum-Acknowledgement for Shalimar Agencies Limited - Open Offer as per details below:

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

Date of Receipt:

Place of Receipt:

Stamp of Selling Broker:

Signature of Official:

INSTRUCTIONS

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER, THE TARGET COMPANY OR THE MANAGER TO THE OFFER

1. This Form should be filled in English.
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Offer would have to do so through their respective selling broker by indicating the details of Equity Shares they intend to tender under the Offer.
4. In case of Equity Shares held in joint names, names should be filled in the same order in this Form as the order in which they hold the Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.
5. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Shareholder(s) along with all the documents received at the time of submission.
6. All Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
7. All documents/remittances sent by or to the Shareholders will be at their own risk. Shareholders are advised to adequately safeguard their interests in this regard.
8. Public Shareholders who are holding Equity Shares in physical form and intend to participate in the Open Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out, including the (i) original share certificate(s), (ii) valid share transfer form(s), i.e Form SH-4, duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place, (iii) self-attested copy of the shareholder's PAN Card, (iv) Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/ joint Public Shareholders whose name(s) appears on the share certificate(s) in the same order in which they hold Equity Shares, and (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. Public Shareholders holding physical shares should note that such Equity Shares will not be accepted unless the complete set of documents is submitted. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the 'Register of Members' of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar card, (ii) voter identity card; or (iii) passport.
9. ***Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:***
Shareholders may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, the DPS and the Letter of Offer. Such holders of Equity Shares may also apply on the Form of Acceptance-cum-Acknowledgment in relation to this Offer, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.
10. The Procedure for Acceptance and Settlement of this Offer has been mentioned in the Letter of Offer at Paragraph 8.
11. The Letter of Offer along with the Form of Acceptance-cum-Acknowledgment would also be available at SEBI's website, (www.sebi.gov.in), and shareholders can also apply by downloading such forms from the said website.
12. The Letter of Offer along with Form of Acceptance-cum-Acknowledgment will be dispatched/ sent through electronic mail to all the Shareholders as on the Identified Date. In case of non-receipt of the Letter of Offer, such Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
13. The Tender Form and TRS is not required to be submitted to the Acquirer, Manager to the Offer or the Target Company. Shareholders holding shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgment unless required by their respective Selling Broker. Equity Shares under lock-in will be required to fill the respective Forms of Acceptance-cum-Acknowledgment.

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

15. If the resident and non-resident Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.

For resident Shareholders:

- Self-attested copy of PAN card
- Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
- Self-declaration in Form 15G / Form 15H (in duplicate), if applicable.
For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For non-resident Shareholders:

- Self-attested copy of PAN card;
- Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest;
- Tax Residency Certificate and a no 'permanent establishment' / business connection declaration;
- name, e-mail id, contact number;
- address in the country or specified territory outside India of which the shareholder is a resident;
- Form 10F;
- Tax Identification Number/ Unique Identification Number of the shareholder;
- Such other information and documentation as may be required depending upon the specific terms of the relevant DTAA read with the provisions of MLL, including but not limited to a declaration of not having a permanent establishment in India;
- Certificate of lower or NIL withholding tax issued by income-tax authorities indicating the TDS rate/amount of tax to be deducted by the Acquirer;
- Self-attested declaration in respect of status of shareholder (e.g. individual, firm, company, trust, or any other - please specify) and residential status as per IT Act; and
- SEBI registration certificate for FII and FPI.

In an event of non-submission of aforesaid documents as may be applicable, tax will be deducted at the maximum rate applicable to the relevant category to which the Public Shareholder belongs, by the Acquirer.

In an event of non-submission of certificate for deduction of tax at nil / lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Shareholder belongs, by the Acquirer.

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

Form No. SH-4 - Securities Transfer Form
[Pursuant to Section 56 of the Companies Act, 2013 and Sub-Rule (1) of Rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of execution: ____/____/____

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

CIN: L 5 1 2 2 6 T G 1 9 8 1 P L C 1 1 4 0 8 4

Name of the company (in full): **SHALIMAR AGENCIES LIMITED**

Name of the Stock Exchange where the company is listed, (if any): BSE Limited, The Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Limited

DESCRIPTION OF SECURITIES:

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

No. of Securities being Transferred		Consideration received (Rs)	
In figures	In words	In words	In figures

Distinctive Number	From		
	To		

Corresponding Certificate Nos.			

Transferor's Particulars

Registered Folio Number: _____

Name(s) in full	PAN No.	Signature(s)
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

I, hereby confirm that the transferor has signed before me.

Signature of the Witness: _____

Name of the Witness: _____

Address of the Witness: _____

Pincode: _____

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

Folio No. of Transferee	Specimen Signature of Transferee(s)
_____	1. _____
_____	2. _____
_____	3. _____

Value of Stamp affixed: _____

Enclosures:

Stamps

1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify, _____

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<p>For Office Use Only</p> <p>Checked by _____</p> <p>Signature Talled by _____</p> <p>Entered in the Register of Transfer on _____ _____ vide Transfer no _____</p> <p>Approval Date _____</p> <p>Power of attorney / Probate / Death certificate / Letter of Administration</p> <p>Registered on _____ at _____</p> <p>No _____</p>
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