

## LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s) of **Overseas Synthetics Limited**. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your shares in Overseas Synthetics Limited, please hand over this Letter of Offer to the member of the Stock Exchange through whom the said sale was affected.

#### OPEN OFFER (“OFFER”) BY

**Mr. Vijay Dhawangale (“Acquirer No. 1”)**

Residing at Flat No.2, Nariman Building, Nariman Point, Mumbai – 400 021  
and

**Mrs. Sona Dhawangale (“Acquirer No. 2”)**

Residing at Flat No.2, Nariman Building, Nariman Point, Mumbai – 400 021

**Contact No.:** +91 – 99999 99933

#### TO

**Acquire 18,47,224 (Eighteen Lakhs Forty Seven Thousand Two Hundred and Twenty Four Only) Fully Paid Up Equity Shares of the face value of Rs. 10/- each, being constituting 26% of the Equity Share Capital of**

#### OVERSEAS SYNTHETICS LIMITED (“OSL” / “TARGET COMPANY”)

**Corporate Identification Number (CIN):** L24200GJ1992PLC017316

**Regd. Office:** Block No. 355, Manjusar Kumpad Road, Village Manjusar, Taluka Savli, Vadodara, Gujarat - 391775.

**Tel No:** 0265 – 298 1195 / 298 3754; **E-mail ID:** [overseassltd@gmail.com](mailto:overseassltd@gmail.com)

**At a price of Rs. 4.43/- (Rupees Four and Forty Three Paise Only) per fully paid-up Equity Share (the “Offer Price”) payable in Cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time (“SEBI (SAST) Regulations 2011”).**

- 1) This Offer is being made by the Acquirers pursuant to Regulations 3(1) & 4 and all other applicable provisions of the SEBI (SAST), Regulations 2011.
- 2) The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI SAST Regulations. This Offer is not a competing offer in terms of Regulation 20 of SEBI SAST Regulations.
- 3) This Offer is subject to certain statutory, regulatory and other approvals and conditions described in paragraph 7.4.
- 4) The Shareholders who have tendered shares in acceptance of the Open Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement / Letter of Offer, shall not be entitled to withdraw such acceptance.
- 5) Upward revision if any in the Offer Price and / or Size by the Acquirers at any time prior to the commencement of the last one working day before the commencement of the tendering period i.e. up to Wednesday, September 04, 2019, or in the case of withdrawal of offer, the same would be informed by way of the Public Announcement in the same newspapers in which the original Detailed Public Statement in relation to this Offer had appeared. Such revision in the Offer Price would be payable for all the shares validly tendered anytime during the period that the offer is open and accepted under the Offer.
- 6) **There have been no competing offers in this Offer.**
- 7) A copy of Public Announcement, Detailed Public Statement and Letter of Offer is also available on SEBI's web-site: [www.sebi.gov.in](http://www.sebi.gov.in)
- 8) All correspondence relating to this Offer, if any, should be addressed to the Registrar to the Offer, viz. Purva Sharegistry India Private Limited.

#### MANAGER TO THE OFFER



#### **Aryaman Financial Services Limited**

(CIN.: L74899DL1994PLC059009)

60, Khatau Building, Alkesh Dinesh Modi Marg,  
Opp. P J Towers (BSE building), Fort, Mumbai – 400 001.

**Tel:** 022 – 6216 6999; **Fax:** 022 – 2263 0434

**Email:** [info@afsl.co.in](mailto:info@afsl.co.in)

**Website:** [www.afsl.co.in](http://www.afsl.co.in)

**Contact Person:** Mr. Deepak Biyani

#### REGISTRAR TO THE OFFER



#### **Purva Sharegistry India Private Limited**

(CIN.: U67120MH1993PTC074079)

9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Near  
Lodha Excelus, Lower Parel (East), Mumbai - 400 011

**Tel:** 022 – 2301 6761 / 8261 **Fax:** 022 – 2263 0434

**Email:** [support@purvashare.com](mailto:support@purvashare.com)

**Website:** [www.purvashare.com](http://www.purvashare.com)

**Contact Person:** Ms. Deepali Dhuri

**OFFER OPENS ON: SEPTEMBER 06, 2019**

**OFFER CLOSES ON: SEPTEMBER 20, 2019**

## SCHEDULE OF MAJOR ACTIVITIES

Major Activities	Schedule	Revised Schedule
Public Announcement	Monday, June 24, 2019	Monday, June 24, 2019
Publication of Detailed Public Statement	Monday, July 01, 2019	Monday, July 01, 2019
Filing of Draft Letter of Offer with SEBI	Monday, July 08, 2019	Monday, July 08, 2019
Last Date for a Competitive Bid	Monday, July 22, 2019	Monday, July 22, 2019
Receipt of Comments from SEBI on Draft Letter of Offer	Monday, July 29, 2019	Tuesday, August 20, 2019
Identified Date*	Wednesday, July 31, 2019	Thursday, August 22, 2019
Date by which Letter of Offer be posted to the Shareholder	Wednesday, August 07, 2019	Thursday, August 29, 2019
Comments on the Offer by a Committee of Independent Directors constituted by the BODs of the Target Company	Friday, August 09, 2019	Tuesday, September 03, 2019
Last Day of Revision of Offer Price / Share	Tuesday, August 13, 2019	Wednesday, September 04, 2019
Issue of advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers	Wednesday, August 14, 2019	Thursday, September 05, 2019
Date of Opening of the Offer	Friday, August 16, 2019	Friday, September 06, 2019
Date of Closing of the Offer	Thursday, August 29, 2019	Friday, September 20, 2019
Date of communicating the rejection / acceptance and payment of consideration for the acquired share	Monday, September 16, 2019	Monday, October 07, 2019

*\* Identified Date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent. All owner (registered or unregistered) of Equity Shares of the Target Company (except Acquirers, persons deemed to be acting in concert with Acquirers and Seller of the Target Company) are eligible to participate in the offer any time before the closure of the Offer.*

### RISK FACTORS

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

#### 1) Relating to transaction

- a) Pursuant to the acquisition of Sale Shares, the Acquirers (i) will appoint its directors on the Board of Directors of the Target Company; (ii) shall acquire control of the Target Company and (iii) the Sellers will resign from the Board of Directors of the Target Company, which will result in a change in ownership, control and management of the Target Company, which may have a significant effect on the business, financial condition and the results of operations of the Target Company.
- b) In accordance with the SPA, the acquisition of the Sale Shares shall be completed upon the fulfillment of conditions agreed between the Acquirers and the Sellers. In terms of and in accordance with Regulation 23(1) of the SEBI (SAST) Regulations, if the conditions as stated in paragraph 7.4 of this Letter of Offer are not complied with, for the reasons beyond the reasonable control of the Acquirers, the Open Offer would stand withdrawn.

#### 2) Relating to the Offer

- a) No statutory approvals apart from those mentioned in paragraph 7.4 of this Letter of Offer, are required by the Acquirers to complete this Offer. However, in case any other statutory approvals are required by the Acquirers at a later date, this Offer shall be subject to such approvals. While the Acquirers shall make the necessary applications for such approvals, in case of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirers agreeing to pay interest to the Public Shareholders for delay beyond 10 (Ten) Working Days from the date of closure of the Tendering Period, at such rate as may be specified by SEBI. Accordingly, in case of delay in receipt of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer.

Consequently, the payment of consideration to the Public Shareholders whose Shares are validly accepted in this Offer, as well as the return of Shares not validly accepted in this Offer, may be delayed. Where the statutory approvals extend to some but not all the Public Shareholders, the Acquirers will have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirers will also have the right, under Regulation 23(1) of the SEBI (SAST) Regulations to withdraw this Offer in the event any statutory approval or other conditions precedent as mentioned in paragraph 7.4 below, as may be required, are not granted or satisfied.

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

### **3) Relating to Acquirers**

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

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

### **CURRENCY OF PRESENTATION**

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

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### 1. ABBREVIATIONS / DEFINITIONS

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

Term / Abbreviation	Description
Acquirer No. 1	Mr. Vijay Dhawangale
Acquirer No. 2	Mrs. Sona Dhawangale
Board / Board of Directors	The Board of Directors of the Target Company.
BSE	BSE Limited, Mumbai
Buying Broker	Stock broker appointed by Acquirers for the purpose of this Open Offer i.e. Dilip C. Bagri
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956 / The Companies Act, 2013, as amended and as applicable
DLof	Draft Letter of Offer
DP	Depository Participant
DPS / Detailed Public Statement	Detailed Public Statement which appeared in the newspaper on July 01, 2019 issued by the Manager to the Offer, on behalf of the Acquirers.
Eligible Persons to participate in the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company (except Acquirers, persons deemed to be acting in concert with Acquirers and existing Promoters / Promoter Group of the Target Company) are eligible to participate in the Offer any time before the closure of the Offer.
FEMA	Foreign Exchange Management Act, 1999 including rules and regulations formulated there under.
FII	Foreign Institutional Investors
Identified Date	Thursday, August 22, 2019
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
LoF / Letter of Offer	This Letter of Offer
Manager / Manager to the Offer / AFSL	Aryaman Financial Services Limited, Mumbai
MICR	Magnetic Ink Character Recognition
NBFC	Non-Banking Financial Company
NECS	National Electronic Clearing Service
NEFT	National Electronic Funds Transfer
NSDL	National Securities Depository Limited
NRI(s)	Non – Resident Indians
OCB(s)	Overseas Corporate Bodies
Offer	Open Offer for acquisition of 18,47,224 (Eighteen Lakhs Forty Seven Thousand Two Hundred and Twenty Four Only) Equity Shares of the face value of Rs. 10/- each, being constituting 26.00% of the Equity Share Capital

	of the Target Company at a price of Rs. 4.43/- (Rupees Four and Forty Three Paise Only) per fully paid up Equity Share payable in cash.
Offer Period	Period between the date of entering into an agreement, formal or informal, to acquire shares, voting rights in, or control over a target company requiring a public announcement, or the date of the public announcement, as the case may be, and the date on which the payment of consideration to shareholders who have accepted the open offer is made i.e. June 24, 2019 (Monday) to October 07, 2019 (Monday) or the date on which open offer is withdrawn, as the case may be.
Offer Price	Rs. 4.43/- (Rupees Four and Forty Three Paise Only) per share for each fully paid-up equity Shares payable in cash.
PA / Public Announcement	Public Announcement of the Offer published on Monday, June 24, 2019.
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Purva Shareregistry India Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time.
Rs. / INR	Indian Rupees, the legal currency of India
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (LODR) Regulations, 2015 / LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereof.
SEBI (SAST) Regulations, 2011 / Regulations / Reg.	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof.
Sellers	Mr. Kamal Aggarwal, Mr. Naresh Goyal, Mrs. Minal Aggarwal, Mrs. Subharangana Goyal and Mr. Navdeep Goyal
Selling Member / Broker	Respective stock brokers of all Shareholders who desire to tender their Shares under the Open Offer
Share (s)	Fully paid up equity Share of Overseas Synthetics Limited, having face value of Rs. 10/- each.
Shareholders	Shareholders of Overseas Synthetics Limited
Target Company / OSL	Overseas Synthetics Limited, Gujarat
Tendering Period	Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer i.e. the period between and including September 06, 2019 (Friday) to September 20, 2019 (Friday).

## 2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF OVERSEAS SYNTHETICS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LOF. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LOF, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER ARYAMAN FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 06, 2019 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

## 3. DETAILS OF THE OFFER

### 3.1 BACKGROUND OF THE OFFER

- 3.1.1 This Open Offer is being made by the Acquirers in compliance with Regulations 3(1) & 4 and other applicable provisions of SEBI (SAST) Regulations, 2011 as amended.
- 3.1.2 As on date of this LoF, Acquirers hold 6,05,000 Equity Shares of TC representing 8.51% Equity Share Capital of the TC.
- 3.1.3 On Monday, June 24, 2019 the Acquirers entered a Share Purchase Agreement with the Sellers ('SPA'), pursuant to which the Acquirers have agreed to acquire 14,47,343 equity shares ("Sale Shares") constituting 20.37% of the equity share capital of the Target Company. The Acquirers have agreed to purchase the Sale Shares at a negotiated price of Rs. 3.00/- (Rupees Three Only) per equity share aggregating to Rs. 43,42,029/- (Rupees Forty Three Lakh Forty Two Thousand and Twenty Nine Only), payable in cash.

Sr. No.	Name of Sellers	Part of Promoter Group (Yes / No)	Details of shares held by the Sellers			
			Pre Transaction		Post Transaction	
			Number of Equity Shares	% of Equity Share Capital of the Target Company	Number of Equity Shares	% of Equity Share Capital of the Target Company
1	Mr. Kamal Aggarwal	Yes	1,68,411	2.37%	Nil	Nil
2	Mr. Naresh Goyal	Yes	7,20,011	10.13%	Nil	Nil
3	Mrs. Minal Aggarwal	Yes	2,91,967	4.11%	Nil	Nil
4	Mrs. Subharangana Goyal	Yes	1,06,026	1.49%	Nil	Nil
5	Mr. Navdeep Goyal	Yes	1,60,928	2.27%	Nil	Nil
<b>Total</b>			<b>14,47,343</b>	<b>20.37%</b>	<b>Nil</b>	<b>Nil</b>

### 3.1.4 Salient features of SPA are as follows:

- The purchase price for the Sale Shares is Rs. 3.00/- (Rupees Three Only) per fully paid up Equity Shares of the Target Company which is negotiated price between Acquirers and the Sellers. The total consideration for the Sale Shares is Rs. 43,42,029/- (Rupees Forty Three Lakh Forty Two Thousand and Twenty Nine Only).
  - On expiry of fifteen working days from the date of the Post Offer Public Announcement under SEBI (SAST) Regulations, 2011 and thereafter, the acquisition of said shares will be completed and the shares would be transferred into the name of the Acquirers and control over the Target Company would pass to the Acquirers in a manner as permissible by law.
- 3.1.5 Through the SPA, the Acquirers propose to take substantial acquisition of shares & management control of the Target Company. Post Open Offer, assuming full acceptance in the Offer, existing shareholding and acquisition of shares under SPA, the shareholding of the Acquirers will be 38,99,567 Equity Shares constituting 54.89% of the Equity Share Capital of the Target Company.
- 3.1.6 The consideration for the shares accepted under the Open Offer payable to the respective shareholders shall be paid in cash.
- 3.1.7 The Acquirers has not entered into any non-compete arrangement and/or agreement with anyone with respect to the operation of the Target Company.
- 3.1.8 There are no 'Persons Acting in Concert' within the meaning of Regulation 2(1)(q)(1) of the Regulations in relation to this Open Offer.
- 3.1.9 The Acquirers, the Target Company, the Sellers have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
- 3.1.10 As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations 2011, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published. A copy whereof shall be sent to SEBI, BSE, and Manager to the Offer and in case of a competing offers to the Managers to the Open Offer for every competing offer.

### 3.2 DETAILS OF THE PROPOSED OFFER

- 3.2.1 In accordance with the Regulation 14(3) and pursuant to Regulations 3(1) & 4 of SEBI (SAST) Regulation, the Acquirers have made a Detailed Public Statement on July 01, 2019 pursuant to Public Announcement dated June 24, 2019 in the following newspapers:

The Business Standard (National English Daily)	All Editions
The Business Standard (National Hindi Daily)	All Editions
Gujarat Mitra (Regional Gujarati Daily)	Vadodara Edition
Aapla Mahanagar (Regional Marathi Daily)	Mumbai Edition

A Copy of the Public Announcement and Detailed Public Statement are also available on the SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in)

- 3.2.2 The Acquirers hereby make this Offer to the existing shareholders (other than the parties to the SPA) to acquire up to 18,47,224 (Eighteen Lakh Forty Seven Thousand Two Hundred and Twenty Four Only) equity shares of face value of Rs.10/- (Rupees Ten Only) constituting 26.00% of the equity share capital of the Target Company on the 10<sup>th</sup> (Tenth) working day from the closure of the Tendering Period ("**Offer Size**") at a price of Rs. 4.43/- (Rupees Four and Forty Three Paise Only) per equity share payable in cash, subject to the terms and conditions set out in the Public Announcement, the Detailed Public Statement and this LoF, that will be sent to the shareholders of the Target Company.

- 3.2.3 This Open Offer is made under SEBI (SAST) Regulations, 2011 to all the shareholders of the Target Company, in term of the Regulation 7(6) of the Regulations, other than the Acquirers, persons deemed to be acting in concert with Acquirers and the Sellers of the Target Company.
- 3.2.4 As on date of this LoF, all the equity shares of the Target Company are fully paid up and there are no partly paid up equity shares in the Target Company. There are no outstanding convertible instruments (debentures/warrants/FCDs/PCDs) etc. into equity shares on any later date.
- 3.2.5 This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company. Further there is no competitive bid in this Offer as on the date of this LoF.
- 3.2.6 This Open Offer is not a conditional offer and not subject to any minimum level of acceptance. The Acquirers will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer up to 18,47,224 (Eighteen Lakh Forty Seven Thousand Two Hundred and Twenty Four Only) Equity Shares constituting 26.00% of the Equity Share Capital of the Target Company.
- 3.2.7 The Acquirers have not acquired any shares of Target Company after the date of P.A. i.e. June 24, 2019 and up to the date of this LoF.
- 3.2.8 The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.
- 3.2.9 There are no 'Persons Acting in Concert' within the meaning of Regulation 2(1)(q)(1) of the Regulations in relation to this Open Offer.
- 3.2.10 The equity shares of the Target Company are listed on the BSE. As per Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Rule 19A of the Securities Contract (Regulation) Rules, 1957 ("SCRR"), the Target Company is required to maintain at least 25% public shareholding (i.e. shares of the Target Company held by the public as determined in accordance with the SCRR), on a continuous basis for listing. Pursuant to existing holding, SPA and Open Offer (assuming full acceptance) the Acquirers will acquire maximum 38,99,567 Equity Shares constituting 54.89% of the Equity Share Capital of the Target Company. Thus, the public shareholding in the Target Company will not fall below 25% consequent to this Open Offer and it will be in compliance of Regulation 38 of SEBI (LODR) Regulations, 2015.
- 3.2.11 The Manager to the Offer, Aryaman Financial Services Limited does not hold any Equity Shares in the Target Company as on the date of the Public Announcement, Detailed Public Statement and this LoF. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

### **3.3 OBJECT OF THE ACQUISITION / THE OFFER**

- 3.3.1 Pursuant to existing shareholding and the SPA, this Open Offer is being made by the Acquirers in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, wherein Acquires proposes to take substantial acquisition of shares & management control of the Target Company.
- 3.3.2 At present, the Acquirers does not have any plans to make major change to the existing line of business of the Target Company except in the ordinary course of business. The Acquirers would support the existing business of the Target Company.
- 3.3.3 The Acquirers do not have any plans to alienate any significant assets of the Target Company or any of its subsidiaries whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through special resolution passed by way of postal ballot in terms of Regulation 25(2) of the SEBI (SAST) Regulations.

#### **4. BACKGROUND OF THE ACQUIRERS**

##### **4.1 MR. VIJAY DHAWANGALE – ACQUIRER NO. 1**

- 4.1.1 Mr. Vijay Dhawangale, son of Mr. Nanaji Dhawangale, aged 43 years residing at Flat No. 2, Nariman Building, Nariman Point, Mumbai – 400 021. He is an established Entrepreneur with post graduation in MBA having more than 25 years of experience in IT and IT enabled services. As on date of this LoF, he is not acting as a Whole Time Director in any public limited company and he is not on the Board of any listed company.
- 4.1.2 The Net worth of Mr. Vijay Dhawangale as on March 31, 2019 is Rs. 36.36 Crores as certified vide certificate dated May 28, 2019 by CA Mukund S. Nakashe (Membership No. 136924) proprietor of Mukund Nakashe & Co (Firm Registration No. 137577W) Chartered Accountants, having its office at Shop No. 11, Wadia Estate, Near 'B' Block, Bail Bazar, Kurla (W), Mumbai – 400 070.
- 4.1.3 Mr. Vijay Dhawangale is not categorized as a “willful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.

##### **4.2 MRS. SONA DHAWANGALE – ACQUIRER NO. 2**

- 4.2.1 Mrs. Sona Dhawangale, wife of Mr. Vijay Dhawangale, aged 44 years residing at Flat No. 2, Nariman Building, Nariman Point, Mumbai – 400 021. She is an established Entrepreneur with post graduation in MBA having more than 25 years of experience in IT and IT enabled services. As on date of this LoF, she is not acting as a Whole Time Director in any public limited company and she is not on the Board of any listed company.
- 4.2.2 The Net worth of Mrs. Sona Dhawangale as on March 31, 2019 is Rs. 32.84 Crores as certified vide certificate dated May 28, 2019 by CA Mukund S. Nakashe (Membership No. 136924) proprietor of Mukund Nakashe & Co (Firm Registration No. 137577W) Chartered Accountants, having its office at Shop No. 11, Wadia Estate, Near 'B' Block, Bail Bazar, Kurla (W), Mumbai – 400 070.
- 4.2.3 Mrs. Sona Dhawangale is not categorized as a “willful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.

##### **4.3 OTHER DETAILS OF THE ACQUIRERS:**

- Acquirers are related to each other as Husband and Wife.
- The Acquirers does not belong to any Group as such.
- As on the date of this LoF, the Acquirers aggregately hold 6,05,000 Equity Shares of the Target Company representing 8.51% Equity Share Capital of the TC.
- There are instances of non-compliances / delayed compliances of certain provisions of SEBI (SAST) Regulations, 2011 by the Acquirers, for which SEBI may initiate suitable actions against them.
- The entire equity shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.
- The Acquirers undertakes that they will not sell the Equity Shares of the Target Company during the “Offer Period” in terms of Regulation 25(4) of the Regulations.
- The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this open offer.
- There are no ‘Persons Acting in Concert’ within the meaning of Regulation 2(1)(q)(1) of the Regulations in relation to this Open Offer.
- None of the Acquirers have been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of SEBI Act, 1992, as amended (the “SEBI Act”) or under any other Regulation made under the SEBI.

## 5. BACKGROUND OF THE TARGET COMPANY (OVERSEAS SYNTHETICS LIMITED)

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

5.1 The Target Company was incorporated as Overseas Synthetics Limited on March 17, 1992 under the Companies Act, 1956, bearing Registration No. 017316 having its Registered Office in State of Gujarat. The company obtained its Certificate of Commencement of Business on March 17, 1992. The Registered Office of the Target Company is situated at Block No. 355, Manjusar Kumpad Road, Village Manjusar, Taluka Savli, Vadodara, Gujarat – 391 775. There has been no change in the name of the Target Company during the three years prior to the date of this LoF. The CIN of the Target Company is L24200GJ1992PLC017316.

### 5.2 Share Capital Structure of the Target Company

The authorized share capital of the Company is Rs. 9,00,00,000/- (Rupees Nine Crores Only) divided into 90,00,000 (Ninety Lakh) equity Shares of Rs.10/- each. As on date, the issued, subscribed and paid-up capital of the Target Company is Rs. 7,10,47,070/- (Rupees Seven Crores Ten Lakh Forty Seven Thousand & Seventy Only) divided into 71,04,707 (Seventy One Lakh Four Thousand Seven Hundred & Seven Only) equity Shares of Rs. 10/- each. The entire issued, subscribed, paid up and voting equity capital of the Target Company is listed at BSE Limited ("BSE").

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

5.4 The shares of the Target Company are presently listed on the BSE. Earlier the trading in the shares of the Target Company was suspended from BSE Limited due to non compliance of provisions / clauses of the listing agreement. However, the suspension was revoked via Notice dated March 14, 2014. Post that, no punitive action has been taken by BSE Limited against the Target Company. The shares of the Target Company are not suspended for trading from BSE Limited.

5.5 Based on the information available on the website of BSE, the equity shares of the Target Company are frequently traded on the BSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

### 5.6 Details of Directors of Overseas Synthetics Limited.

As on the date of this LoF, the Board of Directors of the Target Company comprises of 7 (Seven) members as given below:

Sr. No.	Name of Directors	DIN	Designation	Date of Appointment
1	Mr. Kamalkumar Aggarwal	00139199	Chairman & Managing Director	30/10/2012
2	Mr. Naresh Goyal	00139277	Non-Executive Director	30/10/2012
3	Mrs. Vanita Parmar	05345249	Independent Director	04/05/2018
4	Mrs. Minal Aggarwal	07141165	Non-Executive Director	31/03/2015
5	Mrs. Shubharangana Goyal	07141172	Non-Executive Director	31/03/2015
6	Mr. Rajnish Tiwari	07515091	Independent Director	04/05/2018
7	Mr. Samirkumar Sampat	08116619	Independent Director	04/05/2018

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

5.8 The key financial information of the Target Company based on the audited financial statements for the financial year ended March 31, 2019, 2018 and 2017 are as follows:

(Rs. In Lakhs)

<b>Profit &amp; Loss Account as on</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>	<b>31-Mar-17</b>
Income from Operations	171.36	-	-
Other Income	18.00	25.50	-
<b>Total Income</b>	<b>189.36</b>	<b>25.50</b>	-
Total Expenditure	162.62	6.59	8.96
Profit Before Depreciation Interest and Tax	26.73	18.91	(8.96)
Depreciation	-	0.00	-
Interest	-	-	-
Profit/(Loss) Before Tax	26.73	18.91	(8.96)
Tax Expenses	-	-	-
<b>Profit/(Loss) After Tax</b>	<b>26.73</b>	<b>18.91</b>	<b>(8.96)</b>

(Rs. In Lakhs)

<b>Balance Sheet as on</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>	<b>31-Mar-17</b>
<b>Sources of Funds</b>			
Paid up Shares Capital	710.47	710.47	710.47
Reserves and Surplus (Excluding Revaluation Reserve)	(427.26)	(453.99)	(472.90)
<b>Net Worth</b>	<b>283.21</b>	<b>256.48</b>	<b>237.57</b>
<b>Non-Current Liabilities</b>			
Secured Loan	-	-	-
Unsecured Loan	18.12	55.12	50.12
Long Term Provisions	-	-	-
<b>Current Liabilities</b>			
Trade Payables	61.83	188.30	2.93
Other Current Liabilities	8.43	3.24	0.02
Short Term Provisions	0.43	0.48	0.65
<b>Total</b>	<b>372.02</b>	<b>503.62</b>	<b>291.29</b>
<b>Uses of Funds</b>			
Net Fixed Assets	281.50	281.50	281.50
Investments	-	-	-
Long Term Loans & Advances	-	-	-
Deferred Tax Assets	-	-	-
Other Non-Current Assets	-	-	-
<b>Current Assets</b>			
Inventories	-	156.77	-
Trade Receivables	77.09	26.19	-
Cash and Cash Equivalents	1.04	0.32	1.75
Other Current Assets	12.39	38.84	8.04
<b>Total</b>	<b>372.02</b>	<b>503.62</b>	<b>291.29</b>

<b>Other Financial Data</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>	<b>31-Mar-17</b>
Dividend (%)	-	-	-
Earnings Per Share (Rs.)	0.38	0.27	(0.13)
Return on Net worth (%)	9.44%	7.37%	(3.77%)
Book Value Per Share (Rs.)	3.99	3.61	3.34

The above financials are certified by CA Kalpit Bhagat (Membership No. 142116), partner of Shah Mehta & Bakshi (Firm Registration No. 103824W), Chartered Accountants, having its office at 2<sup>nd</sup> Floor, Prasanna House Associated Society, Opp. Radhakrishna Park, Nr. Akota Stadium, Akota, Vadodara – 390020. Tel No: 0265 – 2331060 / 2337727, E-mail id: [office@smb-ca.com](mailto:office@smb-ca.com) vide certificate dated July 04, 2019.

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

Shareholders' Category	Shares / voting rights prior to the agreement / acquisition and the Offer		Shares / voting rights agreed to be acquired through SPA		Shares / voting rights to be acquired in open offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A) + (B) + (C) + (D)	
	No	%	No	%	No	%	No	%
<b>(1) Promoters Group</b>								
a) Parties to Agreement, if any	14,47,343	20.37%	(14,47,343)	(20.37)%	-	-	-	-
b) Other than (a) above	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>14,47,343</b>	<b>20.37%</b>	<b>(14,47,343)</b>	<b>(20.37)%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Acquirers</b>								
Mr. Vijay Dhawangale	3,00,000	4.22%	7,23,672	10.19%	18,47,224	26.00%	38,99,567	54.89%
Mrs. Sona Dhawangale	3,05,000	4.29%	7,23,671	10.18%				
<b>Total</b>	<b>6,05,000</b>	<b>8.51%</b>	<b>14,47,343</b>	<b>20.37%</b>	<b>18,47,224</b>	<b>26.00%</b>	<b>38,99,567</b>	<b>54.89%</b>
<b>(3) Parties to agreement other than (1) &amp; (2) above</b>	-	-	-	-	-	-	-	-
<b>(4) Public Shareholders (i.e. other than mentioned above)</b>								
a) FIs / MFs / FIIIs / Banks	-	-	-	-				
b) Others	-	-	-	-				
Individuals								
Holding Share capital upto Rs. 2 lakh	14,52,147	20.44%						
Holding Share Capital more than Rs. 2 lakh	26,32,223	37.05%			(18,47,224)	(26.00%)	32,05,140	45.11%
Others								
Bodies Corporate	3,78,584	5.33%						
NRIs	5,68,700	8.01%						
HUFs	20,710	0.29%						
<b>Total (4)(a+b)</b>	<b>50,52,364</b>	<b>71.12%</b>	<b>-</b>	<b>-</b>	<b>(18,47,224)</b>	<b>(26.00%)</b>	<b>32,05,140</b>	<b>45.11%</b>
<b>Grand Total (1+2+3+4)</b>	<b>71,04,707</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,04,707</b>	<b>100.00%</b>

**Notes:**

- Shareholding Pattern is based on Quarter ended June 30, 2019.
- All percentages are calculated on the Total Equity Paid up Shares Capital of the Target Company, as on 10th working day after closing of tendering period.
- The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this open offer.

5.10 There are instances of non-compliances / delayed compliances of certain provisions of SEBI (SAST) Regulations, 2011 by the Promoters, for which SEBI may initiate suitable actions against them.

**5.11 Details of Compliance Officer of the Target Company**

**Mr. Kamal Aggarwal**

**Overseas Synthetics Limited**

Block no. 355, Manjusar Kumpad Road, Village Manjusar, Taluka Savli, Vadodara, Gujarat - 391775.

Contact No: 0265 – 298 1195 / 298 3754; Email ID: [overseassltd@gmail.com](mailto:overseassltd@gmail.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, having a Scrip ID of "OBRSESY" on & Scrip Code of 514330.

6.1.2 The annualized trading turnover in the equity shares of the Target Company on BSE based on trading volume during the 12 (twelve) calendar months prior to the month of Public Announcement (June 01, 2018 to May 31, 2019) is as given below:

Name of the Stock Exchange	Total number of Equity Shares traded during the 12 (Twelve) calendar months prior to the month of PA	Total Number of Listed Shares	Annualized Trading Turnover (in terms of % to Total Listed Shares)
BSE	1,09,03,101	71,04,707	153.46%

(Source: [www.bseindia.com](http://www.bseindia.com))

6.1.3 Based on the information available on the website of BSE, the equity shares of the Target Company are frequently traded on the BSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Hence, the Offer Price of Rs. 4.43/- (Rupees Four and Forty Three Paise Only) per fully paid up Equity Share has been determined and justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

(a)	Highest Negotiated Price per equity share for any acquisition under the Share Purchase Agreement ("SPA")	Rs. 3.00/-
(b)	The volume-weighted average price paid or payable by Acquirers for acquisition during the 52 (Fifty Two) weeks immediately preceding the date of PA	Rs. 4.05/-
(c)	The highest price paid or payable for any acquisition by Acquirers during 26 (Twenty Six) weeks period immediately preceding the date of PA	Rs. 4.43/-
(d)	In case of frequently traded shares, the volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE	Rs. 3.70/-

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. 4.43/- (Rupees Four and Forty Three Paise Only) per fully paid up Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

6.1.4 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.

6.1.5 As on date, there is no revision in open offer price or open offer size. In case of any revision in the open offer price or open offer size, the Acquirers shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, Stock Exchanges and the Target Company at its registered office of such revision. The revised Offer Price would be paid to all the Public Shareholders whose Equity Shares are accepted under the Open Offer.

6.1.6 If there is any revision in the offer price on account of future purchases / competing offers, it will be done on or before Wednesday, September 04, 2019 and would be notified to the shareholders.

6.1.7 If the Acquirers acquire Equity Shares during the period of twenty six weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in this Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares in any form.

## **6.2 FINANCIAL ARRANGEMENT**

- 6.2.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of 18,47,224 Equity Shares of Rs. 10/- each from the public shareholders of the Target Company at a Offer Price of Rs. 4.43/- (Rupees Four and Forty Three Paise Only) per Equity Share is Rs. 81,83,203/- (Rupees Eighty One Lakh Eighty Three Thousand Two Hundred and Three Only) (the “**Offer Consideration**”).
- 6.2.2 The Acquirers have adequate resources and have made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources and no funds are borrowed from banks or financial institution for the purpose of this Open Offer. CA Mukund S. Nakashe (Membership No. 136924) proprietor of Mukund Nakashe & Co (Firm Registration No. 137577W) Chartered Accountants, having its office at Shop No. 11, Wadia Estate, Near 'B' Block, Bail Bazar, Kurla (W), Mumbai – 400 070 vide certificate dated June 24, 2019 have confirmed that sufficient resources are available with the Acquirers for fulfilling the obligations under this Open Offer in full.
- 6.2.3 In terms of Reg. 17(1) of the Regulations, the Acquirers have to create an escrow for an amount equal to 25% of the “**Offer Consideration**” i.e. for Rs. 20,45,801/- (Rupees Twenty Lakh Forty Five Thousand Eight Hundred and One Only).
- 6.2.4 In terms of Reg. 17(3) of the Regulations, the Acquirers, the Manager to the Offer and Kotak Mahindra Bank Limited, a banking company incorporated under the laws of India and having one of its branch offices at Dr. Dadabhai Naorji Road, Fort, Mumbai – 400 001 have entered into an Escrow Agreement for the purpose of the Offer ("Escrow Agreement"). Pursuant to the Escrow Agreement, the Acquirers has deposited Rs. 22,00,000/- (Rupees Twenty Two Lakh Only) in cash in the Escrow Account which is in excess of 25% of the Offer Consideration.
- 6.2.5 The Manager to the Offer has been duly authorised by the Acquirers to realize the value of Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.6 Based on the above and in the light of the Escrow Arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill the Acquirers obligations through verifiable means in relation to the Offer in accordance with the Regulations.

## **7. TERMS AND CONDITIONS OF THE OFFER**

### **7.1 OPERATIONAL TERMS AND CONDITIONS**

- 7.1.1 This Offer is not conditional upon any minimum level of acceptance i.e it is not a conditional offer.
- 7.1.2 The Offer is subject to the terms and conditions set out in this LoF, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.3 The LoF is being dispatched / mailed to those Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Equity Shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date i.e. Thursday, August 22, 2019. Owners of Equity Shares who are not registered as Shareholder(s) are also eligible to participate in the Offer at any time prior to the Date of Closure of the Offer.
- 7.1.4 Accidental omission to dispatch this LoF to any member entitled to this Open Offer or non-receipt of this LoF by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.5 The eligible persons can write to the Registrar / Manager to the Offer requesting for the LoF. Alternatively, the LoF would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in) , and shareholders can also download LoF from the website.
- 7.1.6 This Offer is subject to the receipt of any statutory and other approvals as mentioned under paragraph 7.4 of this LoF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

- 7.1.7 The acceptance of the Offer must be unconditional and should be in the manner prescribed herein.
- 7.1.8 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 7.1.9 The Acquirers will not be responsible in any manner for any loss of equity Share certificate(s) and Offer acceptance documents during transit. The equity shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

## **7.2 LOCKED IN SHARES**

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

## **7.3 ELIGIBILITY FOR ACCEPTING THE OFFER**

All the Equity Shareholders registered or unregistered, (except Acquirers, persons deemed to be acting in concert with Acquirers and existing Promoters / Promoter Group of the Target Company) who own fully paid equity shares of the Target Company anytime before the closure of the Open Offer are eligible to participate in the Open Offer. However, the LoF is being dispatched / mailed to those Shareholders whose names appear on the Register of Members of the Target Company at the close of business hours on the Identified Date i.e. Thursday, August 22, 2019.

## **7.4 STATUTORY AND OTHER APPROVALS**

- 7.4.1 As on the date of the Public Announcement, no approval is required from any bank / financial institutions for the purpose of this Offer.
- 7.4.2 As on the date of the Public Announcement, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirers will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to SEBI, BSE and the registered office of the Target Company.
- 7.4.3 Shareholders of the Target Company who are either non-resident Indians ("NRIs") or overseas corporate bodies ("OCBs") and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of RBI which have been obtained at the time of acquisition of Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirers from NRIs and OCBs.
- 7.4.4 In case of delay in receipt of any statutory approvals as disclosed above or which may be required by the Acquirers at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer subject to the Acquirers agreeing to pay interest to the Public Shareholders for the delay. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers has the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Open Offer.
- 7.4.5 There are no conditions stipulated in the SPA between the Acquirers and the Sellers, the meeting of which would be outside the reasonable control of the Acquirers and in view of which the Offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

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

**Name:** Dilip C. Bagri

**Address:** 404, P. J. Tower, Dalal Street, Fort, Mumbai – 400 001.

**Contact Person:** Anukul Bagri

**Tel.:** 022 – 2272 2792; **E-mail ID:** [dcbagri@gmail.com](mailto:dcbagri@gmail.com)

- 8.5 All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("**Selling Broker**"), during the normal trading hours of the secondary market during tendering period.
- 8.6 A Separate Acquisition window will be provided by the stock exchange to facilitate placing of sell orders. The Selling Members can enter orders for demat Shares.
- 8.7 The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer.
- 8.8 Modification/cancellation of Orders will not be allowed during the tendering period of the Open Offer.
- 8.9 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during tendering period.
- 8.10 Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client.
- 8.11 In case any Seller Broker is not registered with the designated stock exchange and therefore the Public Shareholder is unable to tender equity Shares under the Offer, such Public Shareholder may approach the Buying Broker to facilitate tendering of equity Shares under the Offer.
- 8.12 **Procedure for tendering Equity Shares held in Dematerialised Form:**
- a) The Equity Shareholders who are holding the Equity Shares in electronic / dematerialized form and who desire to tender their Equity Shares in this Offer shall approach their respective Stock Broker ("**Selling Broker**") indicating details of Shares they wish to tender in the Open Offer.
- b) The Equity Shareholders are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Indian Clearing Corporation Limited ("**Clearing Corporation**"). Such Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf and the same shall be validated at the time of order entry.
- c) Shareholders will have to submit Delivery Instruction Slips ("**DIS**") duly filled in specifying market type as 'Open Offer' and execution date along with other details to their respective Stock Broker so that Equity Shares can be tendered in Open Offer.
- d) For Custodian participant order for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order

modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

- e) Upon placing the bid, the Selling Broker(s) shall provide Transaction Registration Slip ('TRS') generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.
- f) In case of receipt of Equity Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted, for demat Shareholders.
- g) The Equity Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated acceptance in the Open Offer.
- h) The Equity Shareholders holding Equity Shares in Demat mode are not required to fill any Form of Acceptance.

#### **8.13 Procedure for tendering Equity Shares held in Physical Form:**

As per the press release dated December 3, 2018 issued by SEBI, the deadline for the requirement for effecting transfer of securities in dematerialised form was April 1, 2019. In view of the same, Public Shareholders holding shares in Physical Form should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

#### **8.14 Procedure for tendering the shares in case of non receipt of LoF:**

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 LoF, may also participate in this Offer.

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

#### **8.15 Acceptance of Shares:**

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

In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.

#### **8.16 Settlement Process:**

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

- f) The Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the shares under the Offer.

**8.17 Settlement of Funds / Payment Consideration**

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

## 9. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the Shareholders of the Target Company at the Office of Aryaman Financial Services Limited at 60, Khatau Building, Alkesh Dinesh Modi Marg, Opp. P J Towers (BSE building) Fort, Mumbai – 400 001 on Monday to Friday except bank holidays till the Offer Closing date (i.e. Friday, September 20, 2019) from 11.00 a.m. to 4.00 p.m.

- Certificate of Incorporation, Memorandum and Articles of Association of Overseas Synthetics Limited.
- Certificate issued by CA Kalpit Bhagat (Membership No. 142116), partner of Shah Mehta & Bakshi (Firm Registration No. 103824W), Chartered Accountants, certifying the financials of Overseas Synthetics Limited.
- Firm Arrangement certificate issued by CA Mukund S. Nakashe (Membership No. 136924) proprietor of Mukund Nakashe & Co (Firm Registration No. 137577W) Chartered Accountants, certifying the adequacy of financial resources with the Acquirers to fulfill their part of Open Offer obligations.
- Networth certificate issued by CA Mukund S. Nakashe (Membership No. 136924) proprietor of Mukund Nakashe & Co (Firm Registration No. 137577W) Chartered Accountants, certifying the Networth of the Mr. Vijay Dhawangale (“Acquirer No. 1”).
- Networth certificate issued by CA Mukund S. Nakashe (Membership No. 136924) proprietor of Mukund Nakashe & Co (Firm Registration No. 137577W) Chartered Accountants, certifying the Networth of Mrs. Sona Dhawangale (“Acquirer No. 2”).
- Certificate issued by Kotak Mahindra Bank Limited confirming the amount of Rs. 22,00,000/- (Rupees Twenty Two Lakh Only) kept in the Escrow Account.
- Copies of the Public Announcement dated June 24, 2019, published copy of the Detailed Public Statement, which appeared in the Newspapers on July 01, 2019.
- Audited Annual Reports / Accounts of the Target Company for the last 3 years.
- Copy of the Share Purchase Agreement dated June 24, 2019.
- A copy of the recommendation dated [ ] made by the Committee of Independent Directors (IDC) of the Target Company.
- Memorandum of Understanding between the Acquirers and Aryaman Financial Services Limited (Manager to the Offer).
- Copy of the Memorandum of Understanding between the Acquirers and Purva Sharegistry India Private Limited (Registrar to the Offer).
- Observation letter bearing reference number SEBI/HO/CFD/DCR1/OW/P/2019/21276 dated August 20, 2019 received from SEBI in terms of Regulation 16(4) of the Regulations.

## 10. DECLARATION BY THE ACQUIRERS

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

We, the Acquirers are severally and jointly responsible for the information contained in this LoF and also for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. The Acquirers would be responsible for ensuring compliance with the concerned Regulations. All information contained in this LoF is as on date of the Public Announcement, unless stated otherwise.

We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 / the Companies Act, 2013 as amended and applicable and all the provisions of SEBI (SAST) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 as amended and applicable and SEBI (SAST) Regulations.

### Signed by the Acquirers:

#### Acquirer No. 1

Sd/-

Mr. Vijay Dhawangale

#### Acquirer No. 2

Sd/-

Mrs. Sona Dhawangale

Date: August 26, 2019

Place: Mumbai