

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (“**Letter of Offer**” or “**LOF**”) is being sent to you as a Public Shareholder (*defined below*) of Premium Merchants Limited (“**Company**”) as on the Specified Date (*defined below*) in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (“**Delisting Regulations**”). In case you have recently sold your Offer Shares (*defined below*) in the Company, please hand over this Letter of Offer and the accompanying documents to the member of the Stock Exchange through whom the sale was effected.

LETTER OF OFFER
for Voluntary Delisting of Equity Shares to the Public Shareholders of
PREMIUM MERCHANTS LIMITED

Corporate Identification Number (CIN): L51909DL1985PLC021077
Registered Office: 3rd Floor, Omaxe Square, Plot No.14, Jasola District Centre,
Jasola, New Delhi-110025, Delhi, India;
Tel. No.: +91 11 6111 9371 / +91 11 6111 9661;
Email id: premiummerchants123@gmail.com; **Website:** www.pmltd.in
Contact Person: Ms. Jyoti Bharti, Company Secretary & Compliance Officer;

From

K K Modi Investment and Financial Services Private Limited (“**Acquirer**” or “**Promoter**”)

The Acquirer is making this Delisting Offer to the Public Shareholders (*defined below*) of the Company pursuant to the Delisting Regulations and are inviting you to tender your fully paid-up Equity Shares of face value of ₹ 10/- each of the Company (“**Equity Shares**”) through the reverse book-building process in accordance with the Delisting Regulations.

Floor Price: ₹ 460/- (Rupees our Hundred and Sixty only) per Equity Share

Bid Opening Date: Wednesday, August 14, 2024

Bid Closing Date: Wednesday, August 21, 2024

Notes

- If you wish to tender your Equity Shares to the Acquirer, pursuant to this Letter of Offer, you should carefully read this Letter of Offer and the instructions herein;
- Complete and sign the accompanying Bid Form in accordance with the instructions therein and in this Letter of Offer, which is enclosed at the end of this booklet and submit the Bid Form to your Seller Member (*defined below*) for bidding under Acquisition Window Facility (*defined below*). For detailed procedure on the submission and settlement of Bids (*defined below*), please refer to paragraph 19 (*Method of Settlement*) of this Letter of Offer.
- The Delisting Offer will be implemented by the Acquirer through the stock exchange mechanism, as provided under the Delisting Regulations and SEBI circulars bearing reference numbers ‘CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015’, ‘CFD/DCR2/CIR/P/2016/131 dated December 9, 2016’ and ‘SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021’ issued by Securities and Exchange Board of India, as amended from time to time (“**SEBI Circulars**”). For details on methodology on stock exchange mechanism, please refer Paragraph 18 (*Procedure and Methodology for Bidding through Stock Exchange*) of this Letter of Offer.
- For the purposes of this Delisting Offer, the Acquirer has appointed SMC Global Securities Limited as the registered broker “**Buying Broker**” (*defined below*) through whom the Acquirer would make the purchases and settlements on account of the Offer.
- Detailed “Procedure and Methodology for Bidding through Stock Exchange” & “Method of Settlement”, for shares held in both demat and physical forms are set out in Paragraph 18 and 19 of this Letter of Offer below.

MANAGER TO THE OFFER



SAFFRON CAPITAL ADVISORS PRIVATE LIMITED
605, 6th floor, Centre Point, Andheri Kurla Road, J.B. Nagar,
Andheri (East) Mumbai - 400059, Maharashtra, India.
Tel. No.: +91 22 4973 0394; **Fax:** N.A.
E-mail id: delistings@saffronadvisor.com
Website: www.saffronadvisor.com
Investor grievance: investorgrievance@saffronadvisor.com
SEBI Registration Number: INM000011211
Validity of Registration: Permanent
Contact Person: Saurabh Gaikwad / Yashi Srivastava

REGISTRAR TO THE OFFER



MAS SERVICES LIMITED
2nd Floor, T-34, Okhla Industrial Area, Phase-II, New
Delhi 110020;
Tel: +91 11 2638 7281 82, 83;
Fax: +91 11 2638 7384
E-mail: investor@masserv.com
Website: www.masserv.com
Investor Grievances: investor@masserv.com
SEBI Registration No.: INR0000000049
Validity Period: Permanent
Contact Person: N C Pal

SCHEDULE OF ACTIVITIES

For the process of the Delisting Offer, the tentative schedule of activity will be as set out below:

Activity	Date	Day
Initial Public Announcement	April 19, 2024	Friday
Resolution for approval of the Delisting Proposal passed by the Board of Directors the Company	May 04, 2024	Saturday
Resolution for approval of the Delisting Proposal passed by the Shareholders the Company	June 08, 2024	Saturday
Date of receipt of the MSE in-principle approval	August 02, 2024	Friday
Specified Date for determining the names of the Shareholders to whom the Letter of Offer shall be sent*	August 02, 2024	Friday
Date of publication of Detailed Public Announcement	August 05, 2024	Monday
Last date for dispatch of the Letter of Offer and Bid Forms to the Public Shareholders as on Specified Date**	August 07, 2024	Wednesday
Last date for Publication of recommendation by Independent Directors of the Company**	August 12, 2024	Monday
Bid Opening Date (bid starts at market hours)	August 14, 2024	Wednesday
Last date for revision (upwards) or withdrawal of Bids	August 20, 2024	Tuesday
Bid Closing Date (bid closes at market hours)	August 21, 2024	Wednesday
Last date for announcement of counter offer	August 23, 2024	Friday
Last date of announcement of the Discovered Price or Exit Price and the Acquirer Acceptance/Rejection of the Discovered Price/Exit Price [#]	August 23, 2024	Friday
Proposed date for payment of consideration [#]	August 30, 2024	Friday
Last date for return of the Equity Shares to the Public Shareholders in case of Bids not being accepted / failure of the Delisting Offer	August 23, 2024	Friday

* The Specified Date is only for the purpose of determining the names of the Public Shareholders to whom the Letter of Offer will be sent. However, all Public Shareholders of the Company are eligible to participate in the Delisting Offer on or before the Bid Closing Date.

** Such activity may be completed on or before the last date

Subject to acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Acquirer.

Note:

1. All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. Changes to the proposed schedule, if any, will be notified to the Public Shareholders by way of corrigendum in all the newspapers in which the Detailed Public Announcement (defined below) has been published.

RISK FACTORS

The risk factors set out below do not relate to the present or future business operations of the Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Public Shareholders in the Delisting Offer. Each Public Shareholder of the company is hereby advised to consult with legal, financial, tax, investment or other independent advisers and consultants for advice on the further risks with respect to each such Public Shareholders participation in the Delisting Offer and related sale and transfer of Offer Shares of the Company to the Acquirer.

Risk factors related to the transaction, the proposed Delisting Offer and the probable risks involved in associating with the Acquirer:

- The Acquirer & Promoter of the Company make no assurance with respect to the future financial performance of the Company.
- The Delisting Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer for reasons beyond the control of the Acquirer and the Company. Consequently, the payment of consideration to the Public Shareholders whose Offer Shares are accepted under this Delisting Offer as well as the return of Offer Shares not accepted under this Delisting Offer by the Acquirer may get delayed.
- The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in this Letter of Offer or in the Public Announcement or in advertisements or other materials issued by, or at the request of the Acquirer and the Manager to the Offer, and anyone placing reliance on any other source of information, would be doing so at his/her/their own risk.
- The Acquirer and the Manager to the Offer do not accept responsibility for the statements made with respect to the Company (pertaining to the information which has been compiled from information published or provided by the Company, or publicly available sources, and which information has not been independently verified by the Acquirer or the Manager to the Offer) in connection with this Offer as set out in the Detailed Public Announcement and this Letter of Offer or any corrigendum issued by or at the instance of the Acquirer or the Manager to the Offer.
- This Delisting Offer is subject to completion risks as would be applicable to similar transactions.
- The Delisting Offer is being made for securities of an Indian Company and Public Shareholders of the Company outside India should be aware that this Letter of Offer and any other documents relating to the Delisting Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the offer timetable and timing of payments, all of which differ from those in the jurisdiction outside India.
- The receipt of amount pursuant to the Delisting Offer by a Public Shareholder of the Company may be a taxable transaction as per the applicable tax laws. Each Public Shareholder of the Company is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Delisting Offer.

Table Of Contents

SR. NO.	PARTICULARS	PAGE NO.
	Table Of Contents	4
1.	KEY DEFINITIONS AND ABBREVIATIONS	5
2.	BACKGROUND OF THE DELISTING OFFER	8
3.	NECESSITY AND OBJECTIVE OF THE DELISTING OFFER	10
4.	BACKGROUND OF THE ACQUIRER	10
5.	BACKGROUND OF THE COMPANY	12
6.	PRESENT CAPITAL STRUCTURE & SHARHOLDING PATTERN OF THE COMPANY.....	14
7.	LIKELY POST-DELISTING EQUITY SHARE CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY	14
8.	STOCK EXCHANGE FROM WHICH THE EQUITY SHARES ARE SOUGHT TO BE DELISTED	15
9.	MANAGER TO THE OFFER	15
10.	REGISTRAR TO THE OFFER	15
11.	DETAILS OF BUYING BROKER	16
12.	INFORMATION REGARDING STOCK MARKET DATA OF THE COMPANY	16
13.	DETERMINATION OF THE FLOOR PRICE	17
14.	DETERMINATION OF THE DISCOVERED PRICE AND EXIT PRICE.....	18
15.	MINIMUM ACCEPTANCE AND OTHER CONDITIONS FOR THE DELISTING OFFER	19
16.	ACQUISITION WINDOW FACILITY OR OFFER TO BUY (OTB)	20
17.	DATES OF OPENING AND CLOSING OF BID PERIOD	21
18.	PROCEDURE AND METHODOLOGY FOR BIDDING THROUGH STOCK EXCHANGE.....	21
19.	METHODS OF SETTLEMENT	25
20.	PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID	27
21.	DETAILS OF THE ESCROW ACCOUNT	27
22.	SCHEDULE OF ACTIVITIES.....	28
23.	STATUTORY AND OTHER REGULATORY APPROVALS	28
24.	NOTE ON TAXATION	29
25.	CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY	30
26.	COMPANY SECRETARY AND COMPLIANCE OFFICER OF THE COMPANY	30
27.	DOCUMENTS FOR INSPECTION.....	30
28.	GENERAL DISCLAIMER	31

1. KEY DEFINITIONS AND ABBREVIATIONS

Act / Companies Act	The Companies Act, 2013, as amended and applicable rules thereunder.
Acquirer	K K Modi Investment and Financial Services Private Limited (" Acquirer " or " Promoter ")
Acquisition Window	The facility for acquisition of Equity shares through mechanism provided by Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circular
Articles/AOA	Articles of Association of the Company
Board/ Board of Directors	Board of Directors of the Company
Bid	Offer by a Public Shareholder to tender his / her / its Offer Shares by submitting a Bid Form to the Seller Broker during the Bid Period in accordance with the Letter of Offer
Bid Form	The forms as enclosed with the Letter of Offer viz. the 'Bid cum Acceptance Form' and the 'Bid Revision / Withdrawal Form'
Bid Closing Date	Closing of trading hours on August 21, 2024 (Wednesday), being the date on which the Bid period closes
Bid Opening Date	Opening of the trading hours on August 14, 2024 (Wednesday), being the date on which the Bid period opens
Bid Period	Bid Opening Date to Bid Closing Date, inclusive of both dates
BSE	BSE Limited, the designated stock exchange
Buyer Broker/Stock broker	SMC Global Securities Limited
Clearing Corporation	Indian Clearing Corporation Limited
CIN	Corporate Identification Number
CDSL	Central Depository Services (India) Limited
Company	Premium Merchants Limited, having its registered office at 3rd Floor, Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi-110025, Delhi, India; whose Equity Shares are sought to be delisted from the Stock Exchange.
Delisting Offer / Offer	The Offer being made by the Acquirer to: a) acquire 2,78,000 Equity Shares representing 27.86% of the paid up Equity Share Capital of the Company from the Public Shareholders; and b) consequently, voluntarily delist the equity shares from MSE (the only stock exchange where the Equity Shares of the Company are presently listed).
Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 including any amendments, statutory modifications or re-enactments thereof, for the time being in force.
DP	Depository Participant
Depositories	NSDL and CDSL
Designated Stock Exchange	BSE Limited
Detailed Public Announcement/DPA	The Detailed Public Announcement dated August 03, 2024, published on August 05, 2024 in all editions of the Financial Express (English), Jansatta (Hindi) and Pratahkal (Marathi) being the vernacular language of the place where stock exchange is situated, in accordance with Regulation 15(1) of the Delisting Regulations.
Director(s)	Director(s) of the Company
Discovered Price	The price at which the shareholding of the Acquirer reaches 90% of the total paid-up Equity Share Capital of the Company excluding such equity shares in terms of Regulation 21(a) of the Delisting Regulations and pursuant to the reverse book building process conducted through OTB in the manner specified in Schedule II of the Delisting Regulations which shall not be lower than the Floor price.
Due Diligence Report	The Due Diligence Report dated May 04, 2024, issued by Pooja Sawarkar & Associates, a Peer Review Company Secretary firm.
Equity Shares / Shares	The fully paid-up Equity Shares of the Company having a face value of ₹ 10/- (Rupees Ten Only)
Escrow Account	The Escrow Account titled " KKMIFSPL-PML-DELISTING OFFER-ESCROW ACCOUNT " opened with the Escrow Bank.
Escrow Bank/ Escrow Agent	ICICI Bank Limited

Escrow Agreement	The Escrow agreement dated June 11, 2024, entered into between the Acquirer, Manager to the Offer and Escrow Bank
Exit Price	Has the meaning ascribed to such term in paragraph 14.8
Floor Price	₹ 460/- (Rupees Four Hundred and Sixty Only) per Equity Share of the Company
FEMA	Foreign Exchange Management Act, 1999
FPIs	Foreign Portfolio Investors
In-principle Approval	In-principle approval of MSE dated August 02, 2024 vide its letter MSE/LIST/2024/662
Initial Public Announcement/IPA	Initial Public Announcement dated April 19, 2024, issued by the Manager to the Offer on behalf of the Acquirer
IT Act	Income-tax Act, 1961, as amended
Letter of Offer/ LOF	This Letter of offer dated August 05, 2024, containing disclosures in relation to the Delisting Offer
Manager to the Offer	Saffron Capital Advisors Private Limited
Minimum Acceptance Condition	Has the meaning ascribed to such term in paragraph 15
MSE	Metropolitan Stock Exchange of India
NSDL	National Securities Depository Limited
NRI / Non-Resident Indian	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
Offer Shares	<u>2,78,000</u> Equity Shares representing <u>27.86%</u> of the paid up Equity Share Capital of the Company held the Public Shareholders
OTB	Offer to Buy
PAN	Permanent Account Number
Physical Shares	Offer Shares that are not in dematerialised form
Physical Shareholders	Public Shareholders who hold Physical Shares
Postal Ballot Notice	Postal Ballot Notice dated May 04, 2024
Promoter	Shall have the same meaning as assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time; being K K Modi Investment and Financial Services Private Limited in this Delisting Offer.
Public Shareholders	All the shareholders other than the Acquirer and other members of the Promoter Group of the Company
RBI	The Reserve Bank of India
RBB / Reverse Book-Building Process	The Reverse Book-Building Process conducted through Acquisition Window Facility
Registrar to the Offer	Mas Services Limited
Residual Public Shareholders	The Public Shareholders whose Offer Shares have not been acquired by the Acquirer during the Delisting Offer, including such shareholders who have not participated in the offer
SEBI	Securities and Exchange Board of India
SEBI Circulars	Circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 on 'Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting' and Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 on 'Streamlining the process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buyback and Delisting of Securities and circular no. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 as amended from time to time
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Shareholder's Broker/ Seller Broker	A Stockbroker of a Public Shareholder through whom the Public Shareholder wants to participate in the Delisting Offer
Specified Date	Specified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer will be sent i.e., August 02, 2024
Stock Exchange	Metropolitan Stock Exchange of India Limited (MSE)
Stock Exchange Mechanism	The process set out in the SEBI Circulars.

STT	Securities Transaction Tax
Tendered Shares	Has the meaning ascribed to such term in paragraph 18.7
TRS	Transaction Registration Slip
UCC	Unique Client Code
Working Days	Shall mean the working days of the SEBI.

Dear Public Shareholders,

Invitation to tender Equity Shares held by you in the Company

The Acquirer is pleased to invite you to tender your Equity Shares, on the terms and subject to the conditions set out in the Delisting Regulations, the Initial Public Announcement, the Detailed Public Announcement and in this Letter of Offer pursuant to the Delisting Offer made in accordance with relevant provisions of the Delisting Regulations.

2. BACKGROUND OF THE DELISTING OFFER

- 2.1 The Company is a Public Limited Company incorporated on May 29, 1985, in accordance with the provisions of the Companies Act, 1956, having its registered office at 3rd Floor, Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi-110025, Delhi, India. The Equity Shares of the Company are listed on MSE only.
- 2.2 As on date of this LOF, the Acquirer is the sole Promoter of the Company presently holds 7,20,000 (Seven Lakh Twenty Thousand) fully paid-up Equity Shares representing 72.14% of the fully paid-up Equity Share Capital of the Company and the Public Shareholders hold 2,78,000 (Two Lakh Seventy Eight Thousand) Equity Shares representing 27.86% of the paid-up Equity Share Capital of the Company.
- 2.3 The Acquirer is making this LOF to acquire upto 2,78,000 (Two Lakh Seventy Eight Thousand) fully paid-up Equity Shares ("**Offer Shares**") representing 27.86% of the paid-up Equity Share Capital of the Target Company that are held by the Public Shareholders of the Target Company pursuant to the Delisting Regulations. If the Delisting Offer is successful in accordance with the terms set out in paragraph 15 of this LOF, the Acquirer will make a final application to the Stock Exchange for delisting the Equity Shares, pursuant to and in accordance with the SEBI Delisting Regulations and on the terms set out in this Detailed Public Announcement, the Letter of Offer (as defined below) and any other Delisting Offer documents. Consequently, the Equity Shares shall be voluntarily delisted from the Stock Exchange.
- 2.4 An Initial Public Announcement dated April 19, 2024 ("**IPA**") was issued by Manager to the Offer for and on behalf of the Acquirer, wherein the Acquirer had expressed its intention to acquire the Offer Shares and consequently voluntarily delist the Equity Shares from Stock Exchange by making a delisting offer in accordance with the SEBI Delisting Regulations. The IPA was also submitted with to the Company and the Stock Exchange by the Manager to the Offer on April 19, 2024. The Company intimated the receipt of IPA to the Stock Exchange on the same day i.e. April 19, 2024.
- 2.5 Upon receipt of the IPA, M/s. Pooja Sawarkar & Associates, Peer Reviewed Practicing Company Secretaries (Membership No. FCS 10262, COP No. 15085, PR No. 1343/2021) ("**Peer Reviewed Firm**") was appointed, in terms of Regulation 10(2) of the SEBI Delisting Regulations, by the Board of Directors of the Target Company to carry out due diligence in accordance with the Regulation 10(3) and other applicable provisions of the SEBI Delisting Regulations and the same was notified to the Stock Exchange on April 20, 2024.
- 2.6 The Company had informed the Stock Exchange on April 30, 2024, that a meeting of the Board is to be held on May 04, 2024, to inter-alia consider and approve the proposed Delisting Offer and other matters incidental thereto as required in terms of the SEBI Delisting Regulations, including seeking shareholders' approval, as may be required.
- 2.7 The Company has received a letter dated May 04, 2024 from the Acquirer informing about the Floor Price of ₹ 460/- (Rupees Four Hundred and Sixty Only) per Equity Share ("**Floor price**") determined in accordance with Regulation 8 of the SEBI (SAST) Regulations read with Regulation 20 (2) of the SEBI Delisting Regulations, as amended, along with a valuation report dated May 04, 2024 ("**Valuation Report**") issued by Mr. Kalyanam Bhaskar, Registered Valuer in respect of Securities and Financial Assets (ICAI RVO Membership No. ICAIRVO/06/RV-P00361/2019-2020 and IBBI Registration No. IBBI/RV/06/2020/12959) ("**Registered Valuer**"), who were appointed by the Acquirer.
- 2.8 Further, the Acquirer has not announced any Indicative Price for this Delisting Offer.
- 2.9 The Board, in its meeting held on May 04, 2024, inter-alia, discussed and approved the following matters:
 - a. The Board considered and took on record the Due Diligence Report dated May 04, 2024 ("**Due Diligence Report**") submitted by M/s Pooja Sawarkar & Associates, Peer Reviewed Practicing Company Secretaries (Membership No. FCS 10262, COP No. 15085, PR No. 1343/2021), in terms of Regulation 10(3) of the SEBI Delisting Regulations.

- b. The Board considered and took on record the Reconciliation of Share Capital Audit Report dated May 04, 2024 (“**Audit Report**”) submitted by M/s. Pooja Sawarkar & Associates, Peer Reviewed Practicing Company Secretaries (Membership No. FCS 10262, COP No. 15085, PR No. 1343/2021), prepared in accordance with Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with Regulation 12(2) of the SEBI Delisting Regulations, in respect to the Equity Shares proposed to be delisted, covering a period of 6 (six) months prior to the date of the meeting of the Board,.
- c. The Board took on record the letter dated May 04, 2024, received from the Acquirer informing the Company that the Floor Price of the Delisting Offer is ₹ 460/- (Rupees Four Hundred and Sixty Only) per Equity Share (“**Floor Price**”), which is determined in accordance with Regulation 20(2) of the SEBI Delisting Regulations read with Regulation 8 of the SEBI (SAST) Regulations, accompanied by a valuation report dated May 04, 2024 (“**Valuation Report**”) issued by Mr. Kalyanam Bhaskar, Registered Valuer in respect of Securities and Financial Assets (ICAI RVO Membership No. ICAIRVO/06/RV-P00361/2019-2020 and IBBI Registration No. IBBI/RV/06/2020/12959).
- d. The Delisting Proposal was approved by the Board of Directors, in accordance with Regulation 10(1) of the SEBI Delisting Regulations, after discussing and considering various factors of the Due Diligence Report and the information available with the Company.
- e. The Board in accordance with Regulation 10(4) of the SEBI Delisting Regulations, based on the information available with the Company and after taking on record the Due Diligence Report, certified that: (i) the Company is in compliance with the applicable provisions of securities laws; (ii) The Acquirer is in compliance with the applicable provisions of securities laws in terms of the Due Diligence Report including compliance with sub-regulation (5) of Regulation 4 of the SEBI Delisting Regulations; and (iii) the Delisting Proposal is in the interest of the public shareholders.
- f. The Board consented to seek necessary approval of the public shareholders of the Company for the Delisting proposal by way of postal ballot in accordance with Section 110 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, relating to passing of resolution by postal ballot, in accordance with Regulation 11 of the SEBI Delisting Regulations.
- g. The Board appointed M/s. Vishal Arora & Associates, Company Secretaries (Membership No FCS - 5958 /COP No. 5992), as Scrutinizer for conducting the E-voting/Postal Ballot process in a fair and transparent manner.
- h. The Board discussed and approved the Notice of Postal Ballot.
- i. The Board authorized Ms. Jyoti Bharti, Company Secretary and Ms. Babita Gupta, Director of the Company (“**Authorised Representative**”) jointly and/or severally to finalize, sign, approve and issue all documents in relation to the resolution sought to be passed by the postal ballot, including but not limited to the explanatory statement and form.
- j. The Board appointed National Securities Depository Limited (“**NSDL**”) to provide services of e-voting to the shareholders in respect of resolution mentioned in postal ballot notice.
- k. The Board fixed Monday, May 06, 2024 as Cut-off Date, for sending the Postal Ballot Notice to all the Members of the Company, whose names appear in the Registrar of Members / List of Beneficial Owners as received from the Depositories as on Cut-off Date.

The outcome of the Board Meeting was submitted to the Stock Exchange on the same day i.e., May 04, 2024.

- 2.10 The dispatch of the Notice of Postal Ballot dated May 04, 2024, for seeking approval of the shareholders, through Postal Ballot process by way of remote e-voting or receipt of valid Postal Ballot Forms (“**Voting**”) for the Delisting Offer, as required under the SEBI Delisting Regulations and the Companies Act, 2013 and the Rules made thereunder, was completed on May 08, 2024.
- 2.11 The Public Shareholders of the Company have passed the special resolution through postal ballot on Saturday, June 08, 2024, i.e. the last date specified for the Voting, approving the Delisting Offer in accordance with Regulation 11(4) of the SEBI Delisting Regulations. The Company has declared the result of postal ballot to Stock Exchange on Monday, June 10, 2024. The votes cast by the Public Shareholders in favour of the Delisting Proposal were 1,55,591 votes (being one Share equal to one Vote) which is more than twice the number of votes cast by the Public Shareholders against the Delisting Offer, being 0 votes, therefore the special resolution as set out in the Notice of Postal Ballot has been passed with requisite majority as per provisions under Regulation 11(4) of the SEBI Delisting Regulations.
- 2.12 Thereafter, the Company has submitted the application with MSE on Tuesday, June 18, 2024 for in-principle approval in relation to the Delisting Offer. MSE has granted its in-principle approval to this Delisting Offer subject to compliance with the SEBI Delisting Regulations, vide its letter MSE/LIST/2024/662 dated August 02, 2024.

- 2.13 The Detailed Public Announcement was published in the following newspapers as required under Regulation 15 (1) of the SEBI Delisting Regulations:

Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Pratahkal	Marathi	Mumbai Edition*

* Being the vernacular language of the place where Stock Exchange is situated.

- 2.14 Any changes, modifications or amendments to this LOF shall be notified by issuing a corrigendum in all the aforementioned newspapers, in which the DPA was published.
- 2.15 The Acquirer reserves the right to withdraw the Delisting Offer in certain cases as set out in paragraph 15 (*Minimum Acceptance and other conditions for the Delisting Offer*) of this LOF.
- 2.16 The Acquirer undertakes not to sell Equity Shares of the Company till the completion of the Delisting Process.
- 2.17 As per Regulation 28 of the SEBI Delisting Regulations, the Board of Directors of the Company is required to constitute a committee of Independent Directors to provide its written reasoned recommendations on the Delisting Offer and such recommendation along with the details of the voting pattern shall be published at least 2 (two) working days before the commencement of the Bid Period as set out in paragraph 17 (*Dates of Opening and Closing of Bid Period*) in the same newspapers where the DPA has been published.
- 2.18 The Delisting Offer is subject to the acceptance of the Discovered Price (*defined below*), determined in accordance with the SEBI Delisting Regulations, by the Acquirer. The Acquirer may also, at its absolute discretion may propose: (a) a price higher than the Discovered Price for the purposes of the Delisting Offer; or (b) a price which is lower than the Discovered Price but not less than the book value of the Company as certified by the Manager to the Offer in terms of Regulation 22 of the SEBI Delisting Regulations ("**Counter Offer Price**"). The Exit Price shall be: (i) the Discovered Price, if accepted by the Acquirer; or (ii) a price higher than the Discovered Price, if offered by the Acquirer at its absolute discretion; or (iii) the Counter Offer Price offered by the Acquirer at its discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the cumulative shareholding of the Acquirer reaching 90% (Ninety Percent) of the total issued share capital of the Company, excluding such Equity Shares in terms of Regulation 21(a) of the SEBI Delisting Regulations, if any.

3. NECESSITY AND OBJECTIVE OF THE DELISTING OFFER

In terms of Regulation 8(3)(a) of the Delisting Regulations, the rationale for the Delisting Proposal are as follows:

- 3.1 The main objective of the Delisting Proposal is to obtain full ownership of the Company by the Promoter which will in turn provide increased financial flexibility to support the Company's business and financial needs, including but not limited to exploring new financing structures including financial support from the Promoter;
- 3.2 The Delisting Proposal will provide the Public Shareholders an opportunity to realize immediate and certain value for their Equity Shares at a time of elevated market volatility; and
- 3.3 The Delisting Proposal will help in cost savings and allow the management to dedicate more time and focus on the Company's business as reduction in time and requirement of resources dedicated to listing compliances; The Delisting Proposal will result in reduction of the on-going substantial compliance costs which includes the costs associated with listing of Equity Shares such as annual listing fees and fees payable to share transfer agents or such other expenses required to be incurred as per the applicable securities law.

4. BACKGROUND OF THE ACQUIRER

- 4.1 K K Modi Investment and Financial Services Private Limited ("**Acquirer**" or "**Promoter**") was incorporated vide certificate of incorporation dated on August 05, 1992 issued by Registrar of Companies, Delhi & Haryana. The Company got converted into a Public Limited Company on March 19, 2000, and then re-converted itself into a Private Limited on September 24, 2001. The name of the Acquirer has not changed since its inception. The Corporate Identification Number (CIN) of the Acquirer is U65101DL1992PTC049846.

4.2 The Registered office of the Acquirer is situated at 3rd Floor, Omaxe Square, Plot No. 14, Jasola District Centre, Jasola, New Delhi-110 025, India. Tel: +91 11 26832155/011-61119429; Email Id: kkmifs.co@gmail.com.

4.3 The Acquirer is primarily engaged in the business of investment, sale and purchase of shares of group companies. The Acquirer is an Unregistered Core Investment Company in terms of RBI/DoR (NBFC)/2016-17/39 / Master Direction DoR (NBFC).PD.003/03.10.119/2016-17 dated August 25, 2016 issued by the Reserve Bank of India.

4.4 As on date of this LOF, the Authorized Share Capital of the Acquirer is ₹ 103,95,00,000/- (Rupees One Hundred and Three Crore Ninety Five Lakh Only) divided into 20,00,000 (Twenty Lakh) Equity Shares having face value of ₹ 10/- each ("**Equity Shares**") and 10,19,50,000 (Ten Crore Nineteen Lakh Fifty Thousand) Preference Shares having face value of ₹ 10/- each ("**Preference Shares**"). The issued, subscribed and paid-up Share Capital of the Company is ₹ 73,61,46,340/- (Rupees Seventy Three Crore Sixty One Lakh Forty Six Thousand Three Hundred and Forty Only) comprising 11,94,163 (Eleven Lakh Ninety Four Thousand One Hundred and Sixty Three) fully paid-up Equity Shares and 7,24,20,471 (Seven Crore Twenty Four Lakh Twenty Thousand Four Hundred and Seventy One) fully paid-up Preference Shares.

4.5 The shareholding pattern of the Acquirer, as on March 31, 2024, is as under:

Sr. No	Name of the Equity Shareholders	No. of Equity Shares held	% of total issue Capital
1	K K Modi Family Trust	9,95,330	83.35
2	Chase Investments Limited	91,875	7.69
3	HMA Udyog Private Limited	30,625	2.56
4	N. K Textile Industries Limited	37,819	3.17
5	Azure Products Private Limited	15,879	1.33
6	Narayan Sales Private Limited	10,569	0.89
7	Trend Agencies Private Limited	12,066	1.01
	Total	11,94,163	100

4.6 The shares of the Acquirer are not listed on any stock Exchanges in India or outside India.

4.7 The members of the Board of Directors of the Acquirer as on date of this LOF is as under:

Sr. No	Name	Designation	Date of Appointment	DIN
1	Mr. Samir Kumaar Modi	Director	05/08/1992	00029554
2	Ms. Charu Modi	Director	11/03/2008	00029625
3	Dr. Bina Modi	Director	11/03/2008	00048606

(Source: www.mca.gov.in)

4.8 As on the date of this LOF, the Acquirer holds 7,20,000 fully paid-up Equity Shares representing 72.14% of the fully paid-up equity share capital of the Company. The Acquirer is the holding company of the Target Company and the sole Promoter of the Target Company.

4.9 Key Financial Information of the Acquirer is as under:

The key financial information of the Acquirer is based on the latest Audited Standalone Financial Statement for the financial years ended on March 31, 2024, March 31, 2023, and March 31, 2022 is as follows:

Particulars	<i>(₹ in Lakhs except per share data)</i>		
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(Audited)	(Audited)	(Audited)
Total Income	28,781.31	5,904.94	5,097.60
Profit/(Loss) Before Tax	28,415.25	5,524.28	4,765.49
Profit/(Loss) After Tax	21,656.78	4,392.21	3,745.45

Other Comprehensive Income/(Loss)	314.82	391.98	103.45
Total Comprehensive Income/(Loss)	21,971.60	4,784.19	3,848.90
Paid up Equity Share Capital	119.42	119.42	119.42
Reserves and Surplus	55,459.81	33,488.20	28,704.02
Net worth/Total Equity	55,579.23	33,607.62	31,894.70
Total Liabilities and Equity	59,205.10	36,658.26	31,894.70
Total Assets	59,205.10	36,658.26	31,894.70
Earnings Per Share (Basic & Diluted)	1,813.55	367.81	313.65

The key financial information of the Acquirer is based on the latest Audited Consolidated Financial Statement for the financial years ended on March 31, 2023 and March 31, 2022 is as follows:

(₹ in Lakhs except per share data)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	(Audited)	(Audited)
Total Income	1,649.98	1,100.04
Profit/(Loss) Before Tax	42,020.36	26,168.30
Profit/(Loss) After Tax	40,900.97	25,131.37
Other Comprehensive Income/(Loss)	25,039.31	6,324.81
Total Comprehensive Income/(Loss)	65,940.28	31,456.18
Paid up Equity Share Capital	119.42	119.42
Reserves and Surplus	292,311.04	228,541.15
Net worth/Total Equity	294,387.70	229,153.22
Total Liabilities and Equity	298,006.84	232,721.66
Total Assets	298,006.84	232,721.66
Earnings Per Share (Basic & Diluted)	3,330.68	2,101.89

- 4.10 The Acquirer has not sold any Equity Shares of the Company during the 6 (six) months preceding the date of the Board meeting (i.e., May 04, 2024) wherein the Delisting Offer was approved. Further, the Acquirer has undertaken not to sell Equity Shares of the Company until the earlier of (i) completion of the Delisting Offer in accordance with the SEBI Delisting Regulations; or (ii) failure of the Delisting Offer in accordance with the SEBI Delisting Regulations.
- 4.11 Neither the Acquirer nor its Directors have been prohibited by the SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") or any other regulations made under the SEBI Act.
- 4.12 The Acquirer and its Directors have not been declared as (i) willful defaulter by any bank or financial institution or consortium thereof, or (ii) fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.13 The Acquirer hereby invites all the Public Shareholders of the Company to bid in accordance with the reverse book building process of the Stock Exchange and subject to the terms & conditions set out herein.
- 4.14 The Acquirer has, as detailed in Paragraph 21 (Details of Escrow Account) of this LOF, made available all the requisite funds necessary to fulfil the obligations of the Acquirer under the Delisting Proposal.

5. BACKGROUND OF THE COMPANY

- 5.1 Premium Merchants Limited ("Company") is a Public Limited Company incorporated under the provisions of the Companies Act, 1956 pursuant to the Certificate of Incorporation dated May 29, 1985, issued by the Registrar of Companies, Delhi & Haryana situated at New Delhi. The Company received the Certificate of commencement

of Business on June 11, 1985 issued by Registrar of Companies. The name of the Company has not changed since its inception. The Corporate Identity Number of the Company is L51909DL1985PLC021077.

- 5.2 The Registered & Corporate Office of the Company is situated at 3rd Floor, Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi-110 025, India.
- 5.3 The Company is registered with the Reserve Bank of India ("RBI") as non-deposit accepting Non- Banking Financial Company vide Certificate of Registration issued by the Reserve Bank of India, New Delhi dated August 10, 1998 bearing Number 14.01029 and is mainly engaged in the business of sale of securities, investment and finance activities.
- 5.4 The Company came out with the Public Issue of its Equity Shares in the year 1986 and the Equity Shares of the Company got listed on Delhi Stock Exchange Limited ("DSE"). Post derecognition of the DSE in the year 2014, the Equity Shares of the Company got listed on MSE from April 2015 with Symbol: PML and presently dealing in BE series. The ISIN of Equity Shares of the Company is INE536R01019.
- 5.5 The Authorized Share Capital of the Company is ₹ 2,00,00,000/- (Rupees Two Crore only) divided into 10,00,000 (Ten Lakh) equity shares having face value of ₹ 10/- each ("Equity Shares") and 10,00,000 (Ten Lakh) preference shares having face value of ₹ 10/- each ("Preference Shares"). The issued, subscribed and paid-up Share Capital of the Company is ₹ 1,59,80,000/- (Rupees One Crore Fifty Nine Lakh Eighty Thousand only) comprising 9,98,000 (Nine Lakh Ninety Eight Thousand) fully paid-up Equity Shares and 6,00,000 (Six Lakh) fully paid-up Preference Shares.
- 5.6 As on the date of this LOF, the Company has no outstanding preference shares, partly paid-up equity shares, convertible instruments, stock options or any other instruments that may result in issuance of Equity Shares by the Company. Further as on date, none of the Equity Shares held by the Public Shareholders are subject to any lock-in requirements.
- 5.7 The shareholding pattern of the Equity Share Capital of the Company, as on date of this LOF is as under:

Sr. No.	Category	No. of Equity Shares held	% of total Equity Shares Capital
1.	Promoter	7,20,000	72.14
2.	Public	2,78,000	27.86
TOTAL		9,98,000	100.00

- 5.8 Aggregate shareholding of the Promoter of the Company as on the date of this LOF is as under:

Name of the Promoter	No. of Equity Shares Held	% of total Equity Shares Capital
K K Modi Investment and Financial Services Private Limited	7,20,000	72.14
TOTAL	7,20,000	72.14

- 5.9 The Board of Directors of the Company as on date of this LOF is as follows:

Sr. No.	Name	Designation as on date of LOF	DIN	Date of Initial Appointment	No. of Equity Shares held
1.	Dr. Bina Modi	Non- Executive- Non-Independent Director	00048606	12-12-2019	Nil
2.	Mr. Balbir Singh	Non-Executive- Independent Director	00027438	30-09-2014	Nil
3.	Mr. Sanjay Kumar Gupta	Non-Executive Non-Independent Director	00027728	28-09-2012	Nil
4.	Mr. Rajeev Kapoor	Non-Executive- Independent Director	03155896	21-09-2017	Nil
5.	Mrs. Babita Gupta	Non-Executive- Non-Independent Director	07135430	16-03-2015	1

(Source: www.mca.gov.in)

5.10 Key Financial Information of the Company:

The key financial information of the Company based on the latest Audited Financial Statements for the financial years ended on March 31, 2024, March 31, 2023, and March 31, 2022 is as follows:

(₹ in Thousands except per share data)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(Audited)	(Audited)	(Audited)
Total Income	8,870.84	3,239.35	5,249.15
Profit/(Loss) Before Tax	8,363.97	(3,836.68)	4,592.34
Profit/(Loss) After Tax	6,587.07	(2,736.57)	4,364.43
Other Comprehensive Income/(Loss)	(3,11,457.90)	1,68,516.58	1,55,631.45
Total Comprehensive Income/(Loss)	(3,04,870.83)	1,65,780.01	1,59,995.88
Paid up Equity Share Capital	9,980.00	9,980.00	9,980.00
Reserves and Surplus	6,39,810.72	9,44,681.55	7,78,901.54
Net worth/Total Equity	6,49,790.72	9,54,661.55	7,88,881.54
Total Liabilities and Equity	8,10,298.34	12,12,301.68	10,07,746.83
Total Assets	8,10,298.34	12,12,301.68	10,07,746.83
Earnings Per Share (Basic & Diluted)	6.60	(2.74)	4.37

5.11 The Company has not been prohibited by SEBI, from dealing in securities, in terms of direction issued under section 11B of the SEBI Act, 1992 or under any of the regulations made under the SEBI Act, 1992.

6. PRESENT CAPITAL STRUCTURE & SHARHOLDING PATTERN OF THE COMPANY

5.12 The Equity Capital Structure of the Company as on the date of this LOF is as follows:

Paid-up Equity Shares of the Company	No. of Equity Shares	% of Share Capital
Fully Paid-up Equity Shares of ₹ 10/- each	9,98,000	100.00
Partly Paid-up Equity Shares	Nil	Nil
Total Paid-up Equity Shares of ₹ 10/- each	9,98,000	100.00
Total Voting Rights in the Company	9,98,000	100.00

5.13 The shareholding pattern of the Equity Share Capital of the Company as on June 30, 2024, as follows:

Particulars	No. of Equity Shares	% of Share Capital
Promoter (A)		
Body Corporate	7,20,000	72.14
Public Shareholders (B)		
Banks	-	-
Other Financial Institutions	-	-
Resident Individuals	1,02,615	10.29
Non-Resident Indians	-	-
Body Corporate	1,75,385	17.57
HUF	-	-
Trusts	-	-
Grand Total (A+B)	9,98,000	100

7. LIKELY POST-DELISTING EQUITY SHARE CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY

The most likely post-delisting shareholding assuming that all Equity Shares outstanding with the Public Shareholders are acquired pursuant to a successful completion of the Delisting Offer in terms of the Delisting Regulations shall be as follows:

Particulars	No. of Equity Shares	% of fully paid-up Share Capital of the Company*
Promoter & Promoter Group	9,98,000	100.00%
Public	Nil	Nil
Total	9,98,000	100.00%

*Assuming full tender of Equity Shares by all Public Shareholders.

8. STOCK EXCHANGE FROM WHICH THE EQUITY SHARES ARE SOUGHT TO BE DELISTED

- 8.1 The Equity Shares of the Company are currently listed only on MSE with Symbol: PML. The ISIN of Equity Shares of the Company is INE536R01019. As on the Reference Date, the Equity Shares of the Company are infrequently traded in terms of the Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 8.2 The Acquirer is seeking to delist the Equity Shares of the Company from MSE and the in-principle approval for delisting was obtained from MSE on August 02, 2024 vide its letter MSE/LIST/2024/662.
- 8.3 No application for listing shall be made in respect of the Equity Shares which have been delisted pursuant to this Offer for a period of 3 (three) years from the date of delisting.
- 8.4 Any application for listing made in future by the Company in respect of delisted Equity Shares shall be deemed to be an application for fresh listing of such Equity Shares and shall be subject to provisions of the then prevailing regulations relating to listing of Equity Shares of unlisted companies.
- 8.5 The Acquirer proposes to acquire the Offer Shares, pursuant to a reverse book building process through an acquisition window facility, i.e., separate acquisition window in form of web-based bidding platform provided by BSE, in accordance with the stock exchange mechanism i.e. “**Acquisition Window Facility**” or “**Offer to Buy (OTB)**”, conducted in accordance with the terms of the Delisting Regulations and the SEBI Circulars (*defined below*).

9. MANAGER TO THE OFFER

The Acquirer has appointed Saffron Capital Advisors Private Limited as “**Manager to the Offer**”:



Saffron Capital Advisors Private Limited
605, Center Point, 6th floor, J. B. Nagar, Andheri Kurla Road
Andheri (East), Mumbai - 400059, Maharashtra, India.
Tel. No.: +91 22 4973 0394; **Fax No.:** N.A.
E-mail id: delistings@saffronadvisor.com
Website: www.saffronadvisor.com
Investor grievance id: investorgrievance@saffronadvisor.com
Contact Person: Saurabh Gaikwad / Yashi Srivastava
SEBI Registration Number: INM000011211
Validity of Registration: Permanent

10. REGISTRAR TO THE OFFER

The Acquirer has appointed MAS Services Limited as “**Registrar to the Offer**”:



MAS SERVICES LIMITED
2nd Floor, T-34, Okhla Industrial Area,

Phase-II, New Delhi 110020;
Tel: +91 11 2638 7281 82, 83;
Fax: +91 11 2638 7384
E-mail: investor@masserv.com
Investor Grievances: investor@masserv.com
Website: www.masserv.com
Contact Person: N C Pal
SEBI Registration No.: INR000000049
Validity Period: Permanent

11. DETAILS OF BUYING BROKER

The Acquirer has appointed SMC Global Securities Limited as “**Buying Broker**”:

Name: SMC Global Securities Limited
Address: 11/6B, Shanti Chambers, Pusa Road, New Delhi - 110 005
Contact Person; Nishant Agarwal
Tel. No.: +91-11-30111333
E-mail ID: nishant.ag@smcindiaonline.com
Website: www.smctradeonline.com
Investor Grievance Email ID: igc@smcindiaonline.com
SEBI Registration No: INZ000I99438

12. INFORMATION REGARDING STOCK MARKET DATA OF THE COMPANY

- As on Reference Date, the Equity Shares are not frequently traded on the MSE in terms of the Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- The high, low and average market prices of the Equity Shares for the preceding 3 (three) financial years and the monthly high, low and average market prices for the 6 (six) months preceding the date of this Letter of Offer and the corresponding volumes on the Stock Exchange is as follows:

MSE

Date	High (₹)	Date of High	Number of Equity Shares traded on that date	Low (₹)	Date of Low	Number of Equity Shares traded on that date	Average Price# (₹)	Total Volume of Equity Shares traded in the period (No. of Equity Shares)
Preceding 3 financial years								
FY 2023-24	NA*	NA	NA	NA	NA	NA	NA	NA
FY 2022-23	NA	NA	NA	NA	NA	NA	NA	NA
FY 2021-22	NA	NA	NA	NA	NA	NA	NA	NA
Preceding 6 months								
July 2024	NA	NA	NA	NA	NA	NA	NA	NA
June 2024	NA	NA	NA	NA	NA	NA	NA	NA
May 2024	NA	NA	NA	NA	NA	NA	NA	NA
April 2024	NA	NA	NA	NA	NA	NA	NA	NA
March 2024	NA	NA	NA	NA	NA	NA	NA	NA
February 2024	NA	NA	NA	NA	NA	NA	NA	NA

(Source: www.msei.in)

*NA- Not Available; the shares of the Company are infrequently traded i.e. no trade has been executed in the period as mentioned above.

13. DETERMINATION OF THE FLOOR PRICE

- a. The Acquirer proposes to acquire the Equity Shares from the Public Shareholders pursuant to a reverse book-building process established in terms of Schedule II of the Delisting Regulations.
- b. The Equity Shares of the Company are currently listed only on MSE with Symbol: PML. The ISIN of Equity Shares of the Company is INE536R01019.
- c. The annualized trading turnover based on the trading volume of the Equity Shares at MSE during the period from May 01, 2023 to April 30, 2024 i.e. 12 (twelve) calendar months preceding the calendar month of the Reference Date (*defined below*) is as under:

Stock Exchange	Total Traded Volumes from May 01, 2023 to April 30, 2024	Total no. of Equity Shares outstanding during the period	Annualized trading turnover (%) (as a percentage of the total number of shares outstanding)
MSE	Nil*	9,98,000	Not Applicable

(Source: www.msei.in)

* No trade has been executed in the mentioned period.

- d. As mentioned in paragraph 8.1 of this Letter of Offer, the Equity Shares of the Company are not frequently traded on MSE in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- e. As per Regulation 20(3) of the Delisting Regulations, the reference date for computing the floor price would be the date on which the recognized stock exchange was notified of the board meeting in which the delisting proposal was considered and approved, i.e. May 04, 2024 (“Reference Date”).
- f. Regulation 20(2) of the Delisting Regulations provides that the floor price shall be determined in terms of Regulation 8 of the SEBI (SAST) Regulations. Hence in terms of Regulation 8 of the SEBI (SAST) Regulations, the Floor Price shall be the higher of the following:

Sr. No.	Particulars	Price Per Share (₹)
i.	The highest negotiated price per Equity Share of the Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
ii.	The volume weighted average price paid or payable for acquisitions, whether by the Promoter or by any person acting in concert with him, during the fifty-two weeks immediately preceding the Reference date	Not Applicable
iii.	The highest price paid or payable for any acquisition, whether by the Promoter or by any person acting in concert with him, during the twenty six weeks immediately preceding the Reference Date	Not Applicable
iv.	The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the Reference Date, as traded on the stock exchange where the maximum volume of trading in the Equity Shares of the Company are recorded during such period	Not Applicable
v.	where the shares are not frequently traded, the price determined by the Acquirer and the manager to the offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies; and	₹ 460/- [#]
vi.	The per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, if applicable	Not Applicable

[#] Mr. Kalyanam Bhaskar, Registered Valuer (IBBI Registration No. IBBI/RV/06/2020/12959) vide his Valuation Report dated May 04, 2024 certified the fair value of Equity Shares of the Company i.e. ₹ 460/- per Equity Share.

Further, Ms. Khusbu Agrawal, IBBI Registered Valuer - SFA, Reg No. - IBBI/RV/03/2021/14393 vide her Valuation Opinion Report dated July 23, 2024, certified that the valuer, Mr. Kalyanam Bhaskar, has correctly arrived at the fair value per share of the Target Company.

- g. The Company has received a letter dated May 04, 2024 from the Acquirer informing the Floor Price of ₹ 460/- (Rupees Four Hundred and Sixty Only) per Equity Share ("**Floor price**") which is determined in accordance with Regulation 20(2) of the SEBI Delisting Regulations read with Regulation 8 of the SEBI (SAST) Regulations and the same is corroborated by the Valuation Report issued by Mr. Kalyanam Bhaskar, Registered Valuer in respect of Securities and Financial Assets (ICAI RVO Membership No. ICAIRVO/06/RV-P00361/2019-2020 and IBBI Registration No. IBBI/RV/06/2020/12959) dated May 04, 2024 ("**Valuation Report**") in compliance of Regulation 20 (2) of the SEBI Delisting Regulations, as amended.
- h. The Acquirer has not announced any Indicative Price for this Delisting Offer. ("**Indicative Price**")

14. DETERMINATION OF THE DISCOVERED PRICE AND EXIT PRICE

- a. The Acquirer proposes to acquire the Offer Shares pursuant to a reverse book-building process through acquisition window facility, i.e. separate acquisition window in form of web based bidding platform provided by the BSE, in accordance with the stock exchange mechanism (the "**Acquisition Window Facility**" or "**Offer to Buy**"), conducted in accordance with the terms of the Delisting Regulations.
- b. All Public Shareholders can tender their Offer Shares during the Bid Period as set out in Paragraph 17 (*Dates of Opening and Closing of Bid Period*) i.e., the period within which shareholders may tender their shares in acceptance of the offer for delisting of Equity Shares of the Company.
- c. The minimum price per Offer Share payable by the Acquirer pursuant to the Delisting Offer shall be determined in accordance with the Delisting Regulations and in the manner specified in **Schedule II** of the Delisting Regulations ("**Discovered Price**"), as the price at which shares are accepted through eligible bids, that takes the shareholding of the Acquirer along with the members of the Promoter Group to 90% (ninety percent) of the total issued shares of the Company excluding such Equity Shares in terms of Regulation 21(a) of the SEBI Delisting Regulations, if any.
- d. The cut-off date for determination of inactive Public Shareholders is August 02, 2024 (i.e. the date of receipt of in-principle approval from the Stock Exchange).
- e. The Acquirer has not announced any Indicative Price for this Delisting Offer.
- f. The Acquirer shall be bound to accept the Equity Shares tendered or offered in the Delisting Offer, if the discovered price determined through the reverse book building process is equal to the Floor Price i.e. ₹ 460/- (Rupees Four Hundred and Sixty Only) as offered by the Acquirer.
- g. The Acquirer has no obligation to accept the Discovered Price if it is higher than Indicative Price. The Acquirer may at its discretion, acquire the Equity Shares at the Discovered Price; or offer a price higher than the Discovered Price, (at their absolute discretion); or make a Counteroffer at the Counteroffer Price in accordance with the Delisting Regulations.
- h.** The "**Exit Price**" shall be:
- (i) the Discovered Price, if accepted by the Acquirer; or
 - (ii) a price higher than the Discovered Price, if offered by the Acquirer at their absolute discretion; or
 - (iii) the Counter Offer Price offered by the Acquirer at their sole and absolute discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the shareholding of the Acquirer along with other members of the promoter group reaching 90% (ninety percent) of the issued equity share capital of the Company in terms of regulation 21(a) of the Delisting Regulations.
- i. The Acquirer shall announce the Discovered Price and their decision to accept or reject the Discovered Price or make a Counteroffer. If accepted, the Acquirer will also announce the Exit Price, as applicable, in the same newspapers in which the DPA appeared in accordance with the schedule of activities.
- j. Once the Acquirer announces the Exit Price, they will acquire, subject to the terms and conditions set out in the DPA and this Letter of Offer of the Delisting Offer, all the Shares validly tendered up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Share

validly tendered and ensure that : (i) In case Exit Price being equal to or less than Floor Price, the payment shall be made through the secondary market settlement mechanism; (ii) In case the Exit Price is higher than the Floor Price, the payment shall be made within 5 (five) working days from the date of the public announcement as specified in paragraph 14 of this Letter of Offer. The Acquirer will not accept Offer Shares offered at a price that exceeds the Exit Price.

- k. If the Acquirer does not accept the Discovered Price, then with respect to the process provided under Regulation 22(4) of the Delisting Regulations, the Acquirer may, at its sole discretion, make a Counter Offer to the Public Shareholders within 2 (two) working days of the closure of the Bid Period, in the manner specified by the SEBI.
- l. If the Acquirer does not accept the Discovered Price and does not make Counter Offer to the Public Shareholders in terms of Regulation 22(4) of the Delisting Regulations, or the Delisting Offer fails in terms of Regulation 23 of the Delisting Regulations:
 - i. the Acquirer will have no right or obligation to acquire any Equity Shares tendered pursuant to the Delisting Offer;
 - ii. the Acquirer, through the Manager to the Offer, will within 2 (two) working days of closure of the Bid Period (*defined below*) announce such rejection of the Discovered Price or failure of the Delisting Offer, through an announcement in all newspapers where the DPA has been published;
 - iii. No final application shall be made to the Stock Exchange for delisting of the Equity Shares;
 - iv. The lien on the Equity Shares tendered/ offered in terms of the Schedule II or Schedule IV of the Delisting Regulations as the case may be shall be released to such Public Shareholder(s) (i) on the date of disclosure of the outcome of the reverse book building process under Regulation 17(3) of the Delisting Regulations if the minimum number of the Equity Shares as provided under Regulation 21 (a) of the Delisting Regulations are not tendered/ offered; (ii) on the date of making public announcement for the failure of the Delisting Offer under Regulation 17(4) of the Delisting Regulations if the price discovered through the reverse book building process is rejected by the Acquirer, (iii) in accordance with Schedule IV of the Delisting Regulations if a counter offer has been made by the Acquirer.
 - v. The Acquirer will bear all the expenses relating to the Delisting Offer.
 - vi. 99% (Ninety Nine percent) of the amount lying in the Escrow Account shall be released to the Acquirer within 1 (one) working day from the date of Public Announcement of failure of the Delisting Offer and the balance 1% (one percent) shall be released post return of the Equity Shares to the Public Shareholders or confirmation of revocation of lien marked on their Equity Shares by the Manager to the Offer.
 - vii. the Acquirer shall not make another delisting offer until expiry of 6 (six) months (i) from the date of disclosure of the outcome of the reverse book building process under Regulation 17(3) of Delisting Regulations if the minimum number of Equity Shares as provided under Regulation 21(a) of the Delisting Regulations are not tendered/offer; (ii) from the date of making public announcement for the failure of the delisting offer under sub-regulation (4) of regulation 17 of Delisting Regulations if the Discovered Price is rejected by the Acquirer (iii) from the date of making public announcement for the failure of counter offer as provided under Schedule IV of Delisting Regulations; and
 - viii. The Escrow Account opened in accordance with Regulation 14 of the Delisting Regulations shall be closed after the release of balance 1% (one percent) in terms of Regulation 14 (9) of Delisting Regulations.

15. MINIMUM ACCEPTANCE AND OTHER CONDITIONS FOR THE DELISTING OFFER

The acquisition of Equity Shares by the Acquirer pursuant to the Delisting Offer and the successful delisting of the Company pursuant to the Delisting Offer are conditional upon:

- a. The Acquirer, in their absolute discretion, either accepting the Discovered Price or offer a price higher than the Discovered Price or offer a Counter Offer Price which, pursuant to acceptance and/ or rejection by Public Shareholders, results in the shareholding of Acquirer reaching 90% (ninety percent) of the total issued equity share capital of the Company excluding such Equity Shares in terms of regulation 21(a) of the Delisting Regulations. It may be noted that notwithstanding anything contained in this Letter of Offer and the DPA, the Acquirer reserves the right to accept or reject the Discovered Price if it is higher than the Floor Price;

- b. A minimum number of Offer Shares being tendered at or below the Exit Price in terms of Regulation 21 of Delisting Regulations, prior to the closure of bidding period as set out in paragraph 17 (*Dates of Opening and Closing of Bid Period*) i.e. on the Bid Closing Date so as to cause the cumulative number of the Equity Shares held by the Acquirer along with other members of the Promoter Group of the Company (as on the date of DPA taken together with Equity Shares acquired through the Acquisition window facility) to be equal to or in excess of such Equity Shares constituting 90% (ninety percent) of the total issued equity share in terms of Regulation 21(a) of the Delisting Regulations (“**Minimum Acceptance Condition**”)
- c. The Acquirer obtaining all requisite regulatory approvals and meeting the conditions set out in Regulation 21 of the Delisting Regulations; and
- d. There being no amendments to the Delisting Regulations or any applicable laws or regulations or conditions imposed by any regulatory or statutory authority/body or order from a court or competent authority which would in opinion of the Acquirer, prejudice the Acquirer in proceeding with the Delisting Offer. Provided that withdrawal on this count shall be subject to receipt of regulatory approval, if any required for the same.
- e. As per Regulation 21 of the Delisting Regulation, the Delisting Offer shall be deemed to be successful if the condition stated in paragraph 15.b above is satisfied.

16. **ACQUISITION WINDOW FACILITY OR OFFER TO BUY (OTB)**

- a. Pursuant to the Delisting Regulations, the Acquirer are required to facilitate tendering of the Equity Shares held by the Public Shareholders of the Company and the settlement of the same, through the stock exchange mechanism provided by SEBI. SEBI vide its circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 on ‘Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting’, circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 on ‘Streamlining the process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buyback and Delisting of Securities’ and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 on ‘Tendering of shares in open offers, buy-back offers and delisting offers by marking lien in the demat account of the shareholders (“**SEBI Circulars**”) sets out the procedure for tendering and settlement of Equity Shares through the Stock Exchange (“**Stock Exchange Mechanism**”). As prescribed under the SEBI Circular, the facility for such acquisitions shall be in the form of a separate window provided by stock exchanges having nationwide trading terminals (“**Acquisition Window Facility**”).
- b. Further, the SEBI Circulars also provide that the Stock Exchange shall take necessary steps and put in place the necessary infrastructure and systems for implementation of the stock-exchange mechanism and to ensure compliance with requirements of the SEBI Circulars. Pursuant to the SEBI Circulars, the Stock Exchange has issued guidelines detailing the mechanism for acquisition of shares through Stock Exchange.
- c. As per the SEBI Circulars, the Acquirer has chosen Acquisition Window Facility provided by the BSE Limited (“**Designated Stock Exchange**”).
- d. The Acquirer has appointed the following as its broker for the Delisting Offer through whom the purchase and settlement of the Offer Shares tendered in the Delisting Offer will be made (“**Buying Broker**”)

Name: SMC Global Securities Limited
Address: 11/6B, Shanti Chambers, Pusa Road, New Delhi - 110 005
Contact Person: Nishant Agarwal
Tel. No.: +91-11-30111333
E-mail ID: nishant.ag@smcindiaonline.com
Website: www.smctradeonline.com
Investor Grievance Email ID: igc@smcindiaonline.com
SEBI Registration No: INZ000I99438

e. The cumulative quantity tendered shall be displayed on website of the BSE at specific intervals during Bid Period as set out in paragraph 17 (*Dates of Opening and Closing of Bid Period*) and the outcome of the Reverse Book Building process shall be announced within 2 (two) hours of the closure of the Bid Period (*defined below*).

17. DATES OF OPENING AND CLOSING OF BID PERIOD

- a. All the Public Shareholders holding the Equity Shares are eligible to participate in the reverse book-building process (“**RBB**”), by tendering whole or part of the Equity Shares held by them through the Acquisition Window Facility at or above the Floor Price. The period during which the Public Shareholders may tender their Equity Shares, pursuant to Stock Exchange Mechanism, shall commence on the Bid Opening Date i.e. August 14, 2024 (Wednesday), and close on the Bid Closing Date i.e. August 21, 2024 (Wednesday), during normal trading hours of the secondary market. During the Bid Period, Bids will be placed in the Acquisition Window Facility by the Public Shareholders through their respective stockbrokers registered with the Stock Exchange during normal trading hours of secondary market on or before the Bid Closing Date. Any change in the Bid Period will be notified by way of an addendum/corrigendum in the newspapers in which the DPA is published.
- b. The Public Shareholders should note that the Bids are required to be uploaded in the Acquisition Window Facility on or before the Bid Closing Date for being eligible for participation in the Delisting Offer. Bids not uploaded in the Acquisition Window Facility will not be considered for delisting purposes and will be rejected.
- c. The Public Shareholders should submit their Bids through stockbrokers who are registered with the Stock Exchange only. Thus, Public Shareholders should not send bids to Company or Acquirer or Manager to the Offer or Registrar to the Offer.
- d. Bids received after close of trading hours on the Bid Closing Date will not be considered for the purpose of determining the Discovered Price payable for the Equity Shares by the Acquirer pursuant to the reverse book building process. The Public Shareholders may withdraw or revise their Bids upwards not later than 1 (one) working day before the closure of the Bid Period. Downward revision of the Bids shall not be permitted.
- e. A letter inviting the Public Shareholders (along with necessary forms and detailed instructions) to tender their Equity Shares by way of submission of “Bids” (“**Letter of Offer**”) will be dispatched as indicated in paragraph 22 (*Schedule of activities*) of this Letter of Offer.

18. PROCEDURE AND METHODOLOGY FOR BIDDING THROUGH STOCK EXCHANGE

- a. The Letter of Offer inviting the Public Shareholders (along with necessary forms and instructions) to tender their Equity Shares to the Acquirer by way of submission of Bids will be dispatched to the Public Shareholders, whose names appear on the register of members of the Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories at the close of business hours on August 02, 2024 (“**Specified Date**”). In the event of accidental omission to dispatch the Letter of Offer or non-receipt of the Letter of Offer by any Public Shareholder or any Public Shareholder who has bought the Equity Shares after Specified Date, they may obtain a copy of Letter of Offer by writing to the Registrar to the Offer at their address given in paragraph 10 (*Registrar to the Offer*), clearly marking the envelope “**PREMIUM MERCHANTS LIMITED– DELISTING OFFER**”.
- b. Alternatively, the Public Shareholders may obtain copies of Letter of Offer from the website of the MSE i.e. www.msei.in, the website of the Company i.e. www.pmltd.in, the website of the Registrar to the Offer i.e. www.masserv.com and on the website of the Manager to the Offer i.e. www.saffronadvisor.com.
- c. For further details on the schedule of activities, please refer to paragraph 22 (*Schedule of Activities*) of this Letter of Offer.
- d. The Delisting Offer is open to all the Public Shareholders holding the Equity Shares of the Company in dematerialized or physical form.

- e. During the Bid Period, the Bids will be placed in the Acquisition Window Facility by the Public Shareholders through their respective stockbrokers registered with the Stock Exchange (“**Seller Member**”) during normal trading hours of the secondary market. The Seller Members can enter orders for Equity Shares which are held in dematerialized form as well as physical form.
- f. Shareholders or Sellers whose brokers are not registered with BSE are able to tender their Equity Shares through the Buying Broker subject to fulfilment of the account opening and KYC of the Buying Broker.

Procedure to be followed by the Public Shareholders holding the Equity Shares in dematerialized form:

- i. The Public Shareholders who desire to tender their Equity Shares in the electronic form under the Delisting Offer would have to do so through their respective Seller Member by indicating to their Seller Member the detail of the Equity Shares they intend to tender under the Delisting Offer (“**Tendered Shares**”).
- ii. The Seller Member would be required to place an order/bid on behalf of the public shareholders who wish to tender Equity Shares in the Delisting Offer using Acquisition Window Facility of the Stock Exchange.
- iii. The Seller Member would be required to tender the number of Equity Shares by using the settlement number and the procedure prescribed by the Indian Clearing Corporation Limited (“**Clearing Corporation**”) to a special escrow account created by the Clearing Corporation before placing the Bids and the same shall be validated at the time of order entry. The details of settlement number shall be informed in the issue opening circular / notice that will be issued by BSE/Clearing Corporation before the Bid opening Date.
- iv. In case the Public Shareholders demat account is held with one depository and clearing member pool and Clearing Corporation accounts are held with other depository, Equity Shares will be blocked in the Public Shareholders demat account at source depository during the Bid Period. Inter-depository tender offer (“**IDT**”) instructions shall be initiated by the Public Shareholder at source depository to clearing member pool/Clearing Corporation account at depository. Source depository shall block the Public Shareholders Equity Shares (i.e. transfers from free balance to blocked balance) and sends IDT message to depository for confirming creation of lien. Details of Equity Shares blocked in the Public Shareholders demat account shall be provided by the depository to the Clearing Corporation.
- v. For Custodian Participant’s orders for the Equity Shares in dematerialized form, early pay-in is mandatory prior to confirmation of order by the Custodian Participant. The Custodian Participant shall either confirm or reject the orders not later than the closing of trading hours on the last day of the Bid Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, if there is any order modification, then it shall revoke the Custodian Participant’s confirmation relating to such order and the revised order shall be sent to the Custodian Participant again for its confirmation.
- vi. Upon placing the Bid, a Seller Member shall provide a Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the Public Shareholder. The TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, No. of the Equity Shares tendered and price at which the Bid was placed.
- vii. Public Shareholders shall also provide all relevant documents which are necessary to ensure transferability of the Equity Shares in respect of the Bid Form to be sent. Such documents may include (but not be limited to):
 - a. Duly attested power of attorney, if any person other than the Public Shareholders has signed the Bid Form;
 - b. Duly attested death certificate and succession certificate/legal heirship certificate, in case any Public Shareholder has expired; and
 - c. In case of companies, the necessary certified corporate authorizations (including board and / or general meeting resolutions).
- viii. **Please note that submission of Bid forms and TRS is not mandatorily required in case of Equity Shares held in dematerialised form.**
- ix. After the lien is marked successfully in the depository system on the demat Equity Shares and a valid bid in the exchange bidding system, the Public Shareholders holding Equity Shares in dematerialized form have successfully tendered the Equity Shares in the Delisting Offer.

- x. The Public Shareholders will have to ensure that they keep their demat account active and unblocked to release the lien on the Equity Shares due to rejection. Further, Public Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Tendered Shares.
- xi. In case of non-receipt of the Letter of Offer / Bid Form, Public Shareholders holding Equity Shares in dematerialized form can make an application in writing on plain paper, signed by the respective Public Shareholder, stating name and address, client ID number, DP name / ID, beneficiary account number and number of Equity Shares tendered for the delisting offer. Public Shareholders will be required to approach their respective Seller Member and have to ensure that their bid is entered by their Seller Member in the electronic platform to be made available by the Stock Exchange, before the Bid Closing Date.
- xii. The Public Shareholders should not send bids to the Company or Acquirer or Manager to the Offer or Registrar to the Offer.

Procedure to be followed by the Public Shareholders holding the Equity Shares in the Physical form:

- i. The Public Shareholders holding Equity Shares in physical form shall note that in accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, all the Public Shareholders holding equity shares in the physical form are allowed to tender their Equity Shares in the Delisting Offer provided that such tendering shall be as per the provisions of the Delisting Regulations and terms provided in the Detailed Public Announcement/ Letter of Offer.
- ii. The Public Shareholders who holds Equity Shares in physical form and intend to participate in the Delisting Offer will be required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including as below:
 - a) original share certificate(s);
 - b) 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 Company / registrar and transfer agent of the Company) and duly witnessed at the appropriate place authorizing the transfer.
 - c) Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate / Notary Public / Bank Manager under their official seal;
 - d) self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors);
 - e) Bid Form duly signed (by all holders in case the Equity Shares are in joint names) in the same order in which they hold the Equity Shares;
 - f) Declaration by joint holders consenting to tender Offer Shares in the Delisting Offer, if applicable;
 - g) Original cancelled cheque (name of 1st shareholder should be printed on it)
 - h) 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; and
 - i) As per SEBI circular dated 03/11/2021 reference No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 "Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination," it shall be mandatory for all holders of physical securities in listed company to furnish the following documents / details to the RTA; a) PAN and other KYC & Bank details by submitting form ISR 1; b) Nomination (for all eligible folios) through Form SH - 13 as provided in the Rules 19(1) of Companies (Shares capital and debentures) Rules, 2014 or Declaration to Opt-out, as per Form ISR-3, available on website of company at www.pmltd.in and RTA at www.masserv.com.
 - j) In addition, if the address of the Public Shareholder has undergone a change from the address registered in the Register of members of the Company. The Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
 - k) Declaration by joint holders consenting to tender Offer Shares in the Delisting Offer, if applicable, and
 - l) FATCA and CRS forms for individual/ Non individual shareholders.

Based on the documents as mentioned in Paragraph (ii) above, the concerned Seller Member shall place the bid on behalf of Public Shareholders holding Equity Shares in physical form who wishes to tender Equity Shares in the Delisting Offer using the Acquisition Window Facility of the Stock Exchange. Upon placing

the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Public Shareholder. The TRS will contain the details of order submitted like folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.

- iii. The Seller Member / Public Shareholder should ensure to deliver the documents as mentioned in paragraph 18.8(ii) along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on cover page) on or before the Bid Closing Date by 5 p.m. (IST) by the Seller Member. The envelope should be super scribed as “**Premium Merchants Limited – Delisting Offer**”.
- iv. Public Shareholders holding the Equity Shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares by the Acquirer will be subject to verification of documents. The Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchange shall display such bids as ‘unconfirmed physical bids’. Once, the Registrar to the Offer confirms the Bids, it will be treated as ‘Confirmed Bids’. The Bids of the Public Shareholders whose original share certificate(s) and other documents (as mentioned in paragraph 18.8 (ii) above) along with the TRS are not received by the Registrar to the Offer, by the Bid Closing Date, shall be liable to be rejected. The verification of the share certificate(s) shall be completed on the date of receipt of the same by the Registrar to the Offer.
- v. In case of non-receipt of the Letter of Offer / Bid Form, Public Shareholders holding Equity Shares in physical form can make an application in writing on plain paper, signed by the respective Public Shareholder, stating name and address, folio number, share certificate number, number of Equity Shares tendered for the delisting offer and the distinctive numbers thereof, enclosing the original share certificate(s) and other documents (as mentioned in paragraph 18.8(ii) above). Public Shareholders will be required to approach their respective Seller Member and must ensure that their bid is entered by their Seller Member in the electronic platform to be made available by the Stock Exchange, before the Bid Closing Date.
- vi. The Registrar to the Offer will hold in trust the share certificate(s) and other documents (as mentioned in paragraph 18.8 (ii) above) until the Acquirer completes its obligations under the Delisting Offer in accordance with the Delisting Regulations.
- vii. It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory and regulatory approvals) prior to tendering their Equity Shares in the Acquisition Window Facility. The Acquirer shall assume that the eligible Public Shareholders have submitted their Bids only after obtaining applicable approvals, if any. The Acquirer reserves the right to reject Bids received for physical shares which are without a copy of the required approvals.
- viii. Please note that submission of Bid Forms and TRS along with original share certificate(s), valid share transfer form(s) and other documents (as mentioned in this Paragraph 18.8(ii) of the Detailed Public Announcement is mandatorily required in case of Equity Shares held in physical form and the same to be received by the Registrar to the Offer, on or before the Bid Closing date by 5 p.m. (IST).**
- ix. The Equity Shares shall be liable for rejection on the following grounds amongst others:
 - (a) there is a name mismatch in the Folio of the Public Shareholder; (b) there exists any restraint order of a court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists; (c) The documents mentioned in the Bid Form for Public Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the Bid Closing Date; (d) If the share certificates of any other company are enclosed with the Tender Form instead of the share certificates of the Company; (e) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the shareholder who has placed the bid; (f) If the Public Shareholders place a bid but the Registrar does not receive the physical Equity Share certificate; or (g) In the event the signature in the Bid Form and share transfer form do not match the specimen signature recorded with the Company or the Registrar.
- x. The Public Shareholders, who have tendered their Equity Shares by submitting the Bids pursuant to the terms of the DPA and the Letter of Offer, may withdraw or revise their Bids upwards not later than 1 (one) day before the Bid Closing Date. Downward revision of the Bids shall not be permitted. Any such request for revision or withdrawal of the Bids should be made by the Public Shareholder through their respective Seller Member, through whom the original Bid was placed. Any such request for revision or withdrawal of the Bids

received after normal trading hours of secondary market on 1 (one) day before the Bid Closing Date will not be accepted.

- xii. The Public Shareholders should note that the Bids should not be tendered to the Manager to the Offer or the Registrar to the Offer or to the Acquirer or to the Company or the Stock Exchange. The Public Shareholders should further note that they should have a trading account with a Seller Member as the Bids can be entered only through their respective Seller Member. The Seller Member would issue contract note and pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer.
- xiii. The cumulative quantity of the Equity Shares tendered shall be made available on the website of the Stock Exchange throughout the trading session and will be updated at specific intervals during the Bid Period.
- xiv. The Equity Shares to be acquired under the Delisting Offer are to be acquired free from all liens, charges, and encumbrances and together with all rights attached thereto. The Equity Shares that are subject to any lien, charge or encumbrances are liable to be rejected.
- xv. In terms of Regulation 22(4) of the Delisting Regulations, the Acquirer are entitled (but not obligated) to make a counteroffer at the Counteroffer Price, at their absolute discretion. The counteroffer is required to be announced by issuing a public announcement of counter offer ("Counter Offer PA") within 2 (two) working days of the Bid Closing Date. The Counteroffer PA will contain inter alia details of the Counteroffer Price and the revised schedule of activities. In this regard, Public Shareholders are requested to note that, if a counteroffer is made:
 - (i) All Offer Shares tendered by Public Shareholders during the Bid Period and not withdrawn as per paragraph 18.14 (ii) below, along with Offer Shares which are additionally tendered by them during the counter offer, will be considered as having been tendered in the counter offer at the Counter Offer Price.
 - (ii) Public Shareholders who have tendered Offer Shares during the Bid Period and thereafter wish to withdraw from participating in the counter offer (in part or full) have the right to do so after issuance of the Counter Offer PA in accordance with the Delisting Regulations. Any such request for withdrawal should be made by the Public Shareholder through their respective Seller Member through whom the original Bid was placed. Any such request for withdrawal received after normal trading hours of the secondary market on the last day of the timelines prescribed in the Delisting Regulations will not be accepted.
 - (iii) Offer Shares which have not been tendered by Public Shareholder during the Bid Period can be tendered in the counter offer in accordance with the procedure for tendering that will be set out in the Counter Offer PA.

19. METHODS OF SETTLEMENT

Upon finalization of the basis of acceptance as per the Delisting Regulations:

- i. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- ii. For consideration towards the Equity Shares accepted under the Delisting Offer, the money of the Escrow Account shall be used to pay the consideration to the Buying Broker on or before the pay-in date for settlement. The Buying Broker will transfer the funds to the Clearing Corporation, and subsequently Clearing Corporation will make direct funds payout to respective Public Shareholder's bank account linked to its demat account. If Public 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 Seller Member(s) settlement bank account for onward transfer to the respective client. For the Offer Shares acquired in physical form, the Clearing Corporation will release the funds to the Seller Member as per the secondary market mechanism for onwards transfer to Public Shareholders.

iii. If the Exit Price is more than the Floor Price but equal to or less than the Indicative Price, then the payment of consideration towards the Equity Shares accepted under the Delisting Offer shall be made through the secondary market settlement mechanism and if the Exit Price is more than the Indicative Price, then the payment of consideration towards the Equity Shares accepted under the Delisting Offer shall be made within 5 (five) working days from the date of the public announcement under Regulation 17(4) of the Delisting Regulations.

iv. In case of certain client types viz. non-resident Indians, non-resident 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 will be given to their respective Seller Member's settlement accounts for releasing the same to their respective Public Shareholder's account onward. For this purpose, the client type details will be collected from the depositories, whereas funds pay-out pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Stock Exchange and the Clearing Corporation from time to time.

v. The Equity Shares acquired in the demat form would either be transferred directly to the demat account opened by the Acquirer with SMC Global Securities Limited ("**Demat Account**") on receipt of the Equity Shares pursuant to the clearing and settlement mechanism of the Stock Exchange. Subsequently, post completion of all the formalities / compliances by the Acquirer on the closure of the Delisting Offer, the Equity Shares in the Demat Escrow Account will be transferred to the Promoter Acquirer's demat account. In case of the Equity Shares acquired in the physical form, the same will be transferred to the Acquirer demat account by the Registrar to the Offer on completion of all the compliances by the Acquirer in the Delisting Offer and until then, such Equity Shares shall remain under the custody of the Registrar to the Offer.

vi. Details in respect of Public Shareholder's Bid accepted at or below Exit Price will be provided to the Clearing Corporation by the Company or the Registrar to the Offer. On receipt of the same, Clearing Corporation will release the lien on unaccepted Equity Shares in the demat account of the Public Shareholder. On settlement date, lien Equity Shares mentioned in the accepted Bid will be transferred to the Clearing Corporation.

vii. In case of Inter Depository, Clearing Corporation will cancel the unaccepted Equity Shares in the target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with Bid accepted details as received from the Target Company or the Registrar to the Offer. Post receiving the IDT message from target depository, source depository will cancel/release lien on unaccepted Equity Shares in the demat account of the Public Shareholder. Post completion of Bid period and receiving the requisite details viz., demat account details and accepted bid quality, source depository shall debit the securities as per the communication/ message received from target depository to the extent of accepted bid Equity Shares from Public Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.

viii. The Seller Member would issue a contract note to their respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer and will release the lien on unaccepted Equity Shares. The Public Shareholder should pay these costs to their respective Seller Members. The Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Delisting Offer.

ix. Public Shareholders who intend to participate in the Delisting Offer should consult their respective Seller Member for payment of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Public Shareholders for tendering their Equity Shares in the Delisting Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer, the Company, the Buying Broker, the Registrar to the Offer and the Manager to the Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred by the Public Shareholders.

x. If the consideration payable in terms of Regulation 24(1) of the Delisting Regulations is not paid to all the Public Shareholders, within the time specified thereunder, the Acquirer shall be liable to pay interest at the rate of 10% (ten percent) per annum to all the Public Shareholders, whose bids shares have been accepted in the Delisting Offer, as per Regulation 24(2) of the Delisting Regulations. However, in case the delay was not attributable to any act or omission of the Acquirer or was caused due to circumstances beyond the control of Acquirer, SEBI may grant waiver from the payment of such interest.

20. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID

- c. The Public Shareholders may submit their Bids to the seller member during the Bid Period. Additionally, once the Equity Shares have been delisted from the Stock Exchange, the Public Shareholders who either do not tender their Equity Shares in the Delisting Offer or whose Offer Shares have not been acquired by the Acquirer (“**Residual Shareholders**”) may offer their Offer Shares for sale to the Acquirer at the Exit Price for a period of one year following the date of the delisting of the Equity Shares from the Stock Exchange (“**Exit Window**”). A separate offer letter in this regard will be sent to these Residual Public Shareholders explaining the procedure for tendering their Offer Shares. Such Residual Shareholders may tender their Offer Shares by submitting the required documents to the Registrar to the Offer during the Exit Window.
- d. The Acquirer shall ensure that the rights of the Residual Shareholders are protected and shall be responsible for compliance with Regulation 27 of the Delisting Regulations and the Stock Exchange shall monitor the compliance for the same.

21. DETAILS OF THE ESCROW ACCOUNT

- e. The estimated consideration payable under the SEBI Delisting Regulations, being the Floor Price of ₹ 460/- (Rupees Four Hundred and Sixty only) per Equity Share multiplied by the number of Offer Shares, i.e., 2,78,000 (Two Lakh Seventy Eight Thousand only), is ₹ 12,78,80,000/- (Rupees Twelve Crore Seventy Eight Lakhs Eighty Thousand Only) (“**Escrow Amount**”).
- f. In accordance with Regulations 14(1) and 14(5) of the SEBI Delisting Regulations, the Acquirer, ICICI Bank Limited (“**Escrow Bank**”) and the Manager to the Offer have entered into an escrow agreement dated June 11, 2024, pursuant to which the Acquirer has opened an escrow account in the name of “**KKMIFSP-L-DELISTING OFFER-ESCROW ACCOUNT**” with the Escrow Bank at their Nariman Point branch at Mumbai (“**Escrow Account**”).
- g. The Acquirer has deposited the aggregate amount of ₹ 12,78,80,000/- (Rupees Twelve Crore Seventy Eight Lakhs Eighty Thousand Only) i.e. 100% of the Escrow Amount in cash in the Escrow Account on June 18, 2024. Further, fixed deposit has been created against the aforesaid escrow amount and a lien has been marked in favour of the Manager to the Offer on the said fixed deposit.
- h. The Manager to the Offer has been solely authorised by the Acquirer to operate and realize the aforesaid value of Escrow Amount in terms the SEBI Delisting Regulations.
- i. The Net worth of the Acquirer is ₹ 55,579.23 Lakhs (Rupees Five Hundred and Fifty five Crore Seventy Nine Lakhs Twenty Three Thousand only) as on March 31, 2024 as certified by Vishu Sharma, Chartered Accountant (Membership No. 424837), partner of Hari Bhushan & Associates, Chartered Accountants (Firm registration no. 007618C) vide certificate dated August 01, 2024 bearing Unique Identification Number (UDIN) – 24424837BKDEWJ7258 and having office at 305-306/12, Aditya Complex, Preet Vihar Commercial Complex, Preet Vihar, Delhi- 110 092.
- j. On determination of the Discovered Price and making of the public announcement under Regulation 17(4) of the Delisting Regulations, the Acquirer shall ensure compliance with Regulation 14(4) of the Delisting Regulations.
- k. In the event that the Acquirer accepts the Discovered Price or offers a price higher than the Discovered Price or offer the Counter Offer Price, and the Delisting Offer is successful (with all conditions thereto being satisfied), the Acquirer shall increase the amount lying to the credit of the Escrow Account to the extent necessary to pay Public Shareholders whose Equity Shares are validly accepted, the consideration at the Exit Price, which shall be used for payment to the Public Shareholders who have validly tendered Offer Shares in the Delisting Offer.

1. Further, in such a case, the Acquirer shall along with the Manager to the Offer, instruct the Escrow Bank to open a special account in the name and style of **KKMIFSPL-PML-DELISTING OFFER-SPECIAL ACCOUNT** (“**Special Account**”), which shall be used for payment to the Public Shareholders who have validly tendered Offer Shares in the Delisting Offer. It shall then deposit in the Escrow Account an amount equal to the amount payable to the Public Shareholders whose shares have been tendered and accepted in the Delisting Offer at the Exit Price. The Manager to the Offer shall instruct the Escrow Bank to transfer the necessary amount to the Special Account.

22. SCHEDULE OF ACTIVITIES

For the process of Delisting Offer, the tentative schedule of activity will be as set out below:

Activity	Date	Day
Initial Public Announcement	April 19, 2024	Friday
Resolution for approval of the Delisting Proposal passed by the Board of Directors the Company	May 04, 2024	Saturday
Resolution for approval of the Delisting Proposal passed by the Shareholders the Company	June 08, 2024	Saturday
Date of receipt of the MSE in-principle approval	August 02, 2024	Friday
Specified Date for determining the names of the Shareholders to whom the Letter of Offer shall be sent*	August 02, 2024	Friday
Date of publication of Detailed Public Announcement	August 05, 2024	Monday
Last date for dispatch of the Letter of Offer and Bid Forms to the Public Shareholders as on Specified Date**	August 07, 2024	Wednesday
Last date for publication of recommendation by Independent Directors of the Company**	August 12, 2024	Monday
Bid Opening Date (bid starts at market hours)	August 14, 2024	Wednesday
Last date for revision (upwards) or withdrawal of Bids	August 20, 2024	Tuesday
Bid Closing Date (bid closes at market hours)	August 21, 2024	Wednesday
Last date for announcement of Counter Offer	August 23, 2024	Friday
Last date for announcement of the Discovered Price or Exit Price and the Acquirer’s Acceptance/Rejection of the Discovered Price/Exit Price [#]	August 23, 2024	Friday
Proposed date for payment of consideration if Exit price is higher than the Floor price [#]	August 30, 2024	Friday
Last date for return of the Equity Shares to the Public Shareholders in case of Bids not being accepted / failure of the Delisting Offer	August 23, 2024	Friday

* The Specified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer will be sent. However, all Public Shareholders of the Company are eligible to participate in the Delisting Offer any time before and on the Bid Closing Date.

** Such activity may be completed on or before the last date

Subject to acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Acquirer

Note:

- Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.
- All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. Changes to the proposed schedule, if any, will be notified to the Public Shareholders by way of corrigendum in all the newspapers in which the Detailed Public Announcement has been published.

23. STATUTORY AND OTHER REGULATORY APPROVALS

- The Public Shareholders of the Company have accorded their consent by way of special resolution passed through Postal Ballot on Saturday, June 08, 2024, i.e., the last date specified for e-voting or duly completed postal ballot forms. The results of the postal ballot were declared on Monday, June 10, 2024, in respect of delisting of Equity Shares from the Stock Exchange, in accordance with the Delisting Regulations and the same were intimated to the Stock Exchange.
- MSE has given its in-principle approval for delisting of the Equity Shares vide its letter MSE/LIST/2024/662 dated August 02, 2024.

- o. If the shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Delisting Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Offer.
- p. To the best of the Acquirer's knowledge, as of the date of this Letter of Offer there are no other statutory or regulatory approvals required to acquire the Offer Shares and implement the Delisting Offer, other than as indicated above. If any statutory or regulatory approvals become applicable, the acquisition of Offer Shares by the Acquirer and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.
- q. It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering the Offer Shares held by them in the Delisting Offer, and the Acquirer shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in the Offer.
- r. The Acquirer reserves the right not to proceed with or withdraw the Delisting Offer in the event the conditions mentioned in paragraph 15 (*Minimum Acceptance and other Condition for the Delisting Offer*) of the LOF are not fulfilled or if the approvals indicated above are not obtained or conditions which the Promoter considers in its sole discretion to be onerous are imposed in respect of such approvals.
- s. In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Acquirer may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by the Acquirer by issuing an appropriate corrigendum in all the newspapers where the DPA was published.

24. NOTE ON TAXATION

The tax considerations given hereunder in the Note are based on the current provisions of the tax laws of India and the regulations thereunder, the judicial and the administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such changes could have different tax implications.

1. Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange will be subject to capital gains tax in India.
2. Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India for both category of shareholders i.e. resident shareholder as well as non - resident shareholder.
3. The present delisting offer will be carried out through domestic stock exchanges. Therefore, STT will be collected by the stock exchanges and deducted from the amount of consideration payable to the shareholder.
4. Capital Gain arising on shares held for a period of twelve months or less prior to their tendering in the present delisting offer will be treated as short term capital gain in the hands of the shareholder. Income Tax (excluding surcharge, health and education cess) is payable @ 15% on this short term capital gain (refer 111A of Income Tax Act, 1961).
5. Capital Gain arising on shares held for more than twelve months prior to their tendering in the present delisting offer will be treated as long term capital gain in the hands of the shareholder. Income Tax (excluding surcharge, health and education cess) is payable @ 10% on the long term capital gain exceeding `1 lakh (refer section 112A and section 55 (2) (ac) of the Income Tax Act, 1961).

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE INCOME TAX ASSESSING AUTHORITIES IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT

INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. THE ACQUIRER NEITHER ACCEPTS NOR HOLDS ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS DELISTING OFFER.

25. CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors of the Company has certified that:

- a) there are no material deviations in utilization of the proceeds of the issues (as compared to the stated objects in such issues) of securities made by the Company during the 5 (five) years immediately preceding the date of the Detailed Public Announcement from the stated object of the issue.
- b) all material information which is required to be disclosed under the provisions of the continuous listing requirements under the relevant Equity Listing Agreement entered into between the Company and the Stock Exchanges or the provisions of the Listing Regulations, as applicable from time to time have been disclosed to the Stock Exchanges, as applicable;
- c) the Company is in compliance with applicable provisions of securities law;
- d) the Acquirer has not carried out any transaction to facilitate the success of the Delisting Offer and are in compliance with the provisions of sub-regulation (5) of regulation 4 of Delisting Regulations; and
- e) the Delisting Offer is in the interest of the shareholders of the Company.

26. COMPANY SECRETARY AND COMPLIANCE OFFICER OF THE COMPANY

The details of Company Secretary and the Compliance Officer of the Company are as follow:

Name: Jyoti Bharti

Designation: Company Secretary & Compliance Officer

Office Address: 3rd Floor, Omaxe Square, Plot No.14, Jasola District Centre, Jasola, New Delhi-110 025

Tel. No.: +91 11 6111 9371 / +91 11 6111 9661

Fax No. : +91 11 6111 9371

E-mail ID: premiummerchants123@gmail.com

In case the Public Shareholders have any queries concerning the non-receipt of credit or payment of offer Shares or on delisting process and procedure, they may address the same to the Registrar to the Offer or Manager to the Offer.

27. DOCUMENTS FOR INSPECTION

Copies of following documents will be available for inspection by the Public Shareholders at the registered office of the Manager to the Offer (i.e. Saffron Capital Advisors Private Limited, 605, Center Point, 6th floor, J. B. Nagar, Andheri Kurla Road Andheri (East), Mumbai - 400059, Maharashtra, India) on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10.00 am to 5.00 pm up to the Bid Closing Date.

- i. Initial Public Announcement dated April 19, 2024.
- ii. Valuation Report dated May 04, 2024, received from Kalyanam Bhaskar, Registered Valuer (Reg. No. IBBI/RV/06/2020/12959), for computing floor price (“**Floor Price**”).
- iii. Certified true copy of the Board resolution approving the Delisting Offer of the Company of the Company dated May 04, 2024.
- iv. Due diligence report and Share Capital Audit Report dated May 04, 2024, of Pooja Sawarkar & Associates, a Peer Review Company Secretary firm (FCS NO. 10262, CP No. 15085, PR No. 13431/2021).
- v. Certified true copy of the resolution passed by the shareholders by way of postal ballot, results of which were declared on June 10, 2024 along with Scrutinizer’s report.
- vi. Copy of Escrow Agreement dated June 11, 2024, between the Acquirer, the Escrow Bank and Manager to the Offer.

- vii. Copy of the letter received from the Escrow Bank, confirming receipt of the Escrow Amount in the Escrow Account on June 18 2024.
- viii. The Valuation Opinion Report dated July 23, 2024, received from Ms. Khusbu Agrawal, IBBI Registered Valuer - SFA, Reg No. - IBBI/RV/03/2021/14393, the Registered Valuer empanelled with Metropolitan Stock Exchange of India (MSE).
- ix. In-principle approval bearing reference number MSE/LIST/2024/662 dated August 02, 2024 received from MSE.
- x. Copy of the recommendation published by the committee of independent directors of the Company in relation to the Delisting Offer.

28. GENERAL DISCLAIMER

EVERY PERSON WHO DESIRES TO AVAIL OF THE OFFER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE ACQUIRER, THE MANAGER TO THE OFFER OR THE COMPANY WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH OFFER AND TENDER OF SECURITIES THROUGH THE A BOOK-BUILDING PROCESS THROUGH ACQUISITION WINDOW FACILITY OR OTHERWISE WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

This Letter of Offer, the Bid Form and the Bid Revision / Withdrawal Form is expected to be available on the website of the Company, website of the Manager to the Offer, website of the RTA, and the website of the Stock Exchange.

Manager to the Offer	Registrar to the Offer
 <p>SAFFRON CAPITAL ADVISORS PRIVATE LIMITED 605, 6th floor, Centre Point, Andheri Kurla Road, J.B. Nagar, Andheri (East) Mumbai - 400 059, Maharashtra, India. Tel. No.: +91 22 4973 0394; Fax: N.A. E-mail id: delistings@saffronadvisor.com Website: www.saffronadvisor.com Investor grievance id: investorgrievance@saffronadvisor.com Validity of Registration: Permanent Contact Person: Saurabh Gaikwad / Yashi Srivastava SEBI Registration Number: INM000011211</p>	 <p>MAS SERVICES LIMITED 2nd Floor, T-34, Okhla Industrial Area, Phase-II, New Delhi 110020; Tel: +91 11 2638 7281 82, 83; E-mail: info@masserv.com Fax: +91 11 2638 7384 Website: www.masserv.com Investor Grievances: investor@masserv.com Validity Period: Permanent Contact Person: N C Pal SEBI Registration No.: INR000000049</p>

For and on behalf of the Board of Directors of K K Modi Investment and Financial Services Private Limited ("Acquirer")		
Sd/- Bina Modi Director (DIN- 00048606)	Sd/- Charu Modi Director (DIN- 00029625)	Sd/- Jyoti Bharti Company Secretary (M. No. A36838)

Place: New Delhi

Date: August 05, 2024

Encl:

- a. Bid cum Acceptance form/Bid Form
- b. Bid Revision cum Withdrawal Form
- c. Form No. SH-4 -Securities Transfer Form